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# FINANCIALTIMES

Friday August 29 1980



FLT & METALS LTD.

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BUSINESS

**Equities** 

off 8.8;

GILTS eased again, and the

Government Securities Index

finished 0.55 lower at 67.7.

● WALL STREET was down

4.69 at 938.40 before the close.

• COPPER fell £40.5 a tonne to close at £816.5, its lowest level

for 13 months, on prospects of

the U.S. copper workers' strike

• FIRE DAMAGE at Alexan-

dra Palace, London, last month

resulted in claims totalling £31m being made on British insurance companies. Page 7

affected. Page 6

to help developing countries.

\$420 to \$475. Page 31

• RUSTENBURG and Impala.

South Africa's two major producers of platinum, have raised their price for the metal from

• PLESSEY, the electronics

and telecommunications group,

period is expected. Page 18

@ GENERAL MOTORS, the

raised its first-quarter pre-tax

dollar

GENERAL

# Offer may end **Times** strike

The journalists' pay dispute, which stopped production of The Times since last Friday, seems virtually settled following a formal offer tabled by the management.

The paper could be back on the streets tomorrow if the deal is endorsed by the 280 journalists, whose leaders were confident of success. The management pledged "strenuous efforts" for a Saturday edition.

The staff, who have been demanding a 21 per cent rise recommended by an indepenarbitrator, will presented with an 18-month deal, including a £1,000 flat payment: Back Page

#### **Blockade eases**

Striking fishermen eased their two-week blockade of French ports, with cross-Channel traffic slowly returning to normal. Passenger services were open at all ports except Dieppe. Cherbourg and Boulogne. Page

#### Cheap flight plan British Caledonian Airways is

to offer a £20 single standby fare between London and Glasgow, 58 per cent cheaper than its peak fare and £5.60 less than British Rail's single ticket. Back Page

#### **Jordan Premier**

King Hussein of Jordan named Modar Badran to be the new Prime Minister with a reshuffled Cabinet. - He was told to maintain the high quality of the army and the security forces.

#### TV show ban

The High Court has banned ing a programme about Primodos, a discontinued pregnancy testing drug, after Schering Chemicals, which distributes it, sought an injunction.

#### Priest jailed

Dissident Russian Orthodox priest Father Gleb Yakunin was sentenced to five years of hard labour and five years of internal exile after being convicted of anti-Soviet agitation and propaganda. Page 2

#### Fire death charge

Tight security surrounded London's Bow Street court when John Thompson, a general dealer from Hackney, was charged with murdering one of the 37 victims of a Soho drinking club blaze.

#### island surrender

Rebel leader Jimmy Stevens told Vanuatu Government in the Pacific that he will surrender today, ending the rebellion on Espiritu Santo island,

#### 'Cover-up' denial

The Foreign Office issued a sixpoint denial after a magazine alleged a cover-up over the death in Saudi Arabia of British nurse Helen Smith and her Dutch boyfriend.

#### irish top drinkers

The Irish are spending 13 per cent of their income on alcohol, more than in any other European nation, says the Medico-Social Research Board of

#### Briefly . . .

India honoured the late Earl year-end as a difficult second Mountbatten by issuing a special stamp on the first anniversary of his death.

Australia were 227-2 (Wood 100 leading U.S. car maker, will no.) on the first day of the spend Es2.8bn (£23.3m) on ex-Centenary Test against England panding its operations in Portuat the Oval.

#### CHIEF PRICE CHANGES YESTERBAY

(Prices in pence uniess otherwise	TRUIT CO.
DICDE	MEPC 228 - 8
Caffyns 168 + 8	Newman Inds 31 - 4
Carrington Inv 120 + 10	Quick (H. and J.) 341 - 51
Carrington in 150 15	Redfearn Nat. Glass 163 - 7
Rentokii 164 + 5	Redland 173 - 11
Venterspost 763 + 30	Royal Worcs 303 - 17
FALLS	Stand. Telephones 415 - 10
	Sunbeam Wolsey 18 - 4
	Sundeam worses 10 - 2
Agged Dairies 212 - 8	Tesco
Rarclays Bank 412 - 8	Vinten 166 - 8
Reecham 149 - b	Whitbread A 155 - 6
	Yorks. Chemicals 32 - 2
	Berkeley Explor 175 - 13
010 _ E	Diet Petroleum 310 - 30
011 - 13	Ashton Mining 140 - 12
21 - 6	Road Corpn 128 - 10
100 - E	Romasinville 110 - 7
GD-0 - 450 _ 45	₽2 Inds 310 − 20
	MIM Hidgs 250 - 8
	Pancontinental 350 - 20
	Western Mining 288 - 10
Land Secs 358 - 8	Mezfern winns 700 ra

# Carter package of tax cuts and aid for industry

BY DAVID BUCHAN IN WASHINGTON

weaker PRESIDENT JIMMY CARTER • DOLLAR finished close to its lowest levels of the day against yesterday proposed a \$27.5bn tax cut package for 1981 that currencies. It DM 1.7870 major would provide some relief to closed at (DM 1.8005). individuals, but which is heavily weighted towards en-SwFr 1.6440 (SwFr 1.6615), and Y218 (Y219.65). The currency's couraging U.S. industry to invest more and regain intertrade-weighted index was 83.9 (84.3). Page 29 national competitiveness.

No. 28,255

He has also proposed a \$4.7bn increase in public spending in the fiscal year which starts on October I, with about \$1bn go-ing to cities and States where the slump in the car, steel and • STERLING also weakened in fairly active trading, closing at \$2.3895 (\$2.3910). Its tradeweighted index was 75.9 (76.2). housing sectors has raised un-GOLD closed \$1 lower at employment, and another \$1bn \$635.5 an ounce in London. provided as bonuses to com-panies investing in those

 EQUITIES were depressed The President unveiled his economic revitalisation" proby second-quarter figures from itcl which were much worse than expected. The FT 30-share index, which had lost 11.0 by 2 p.m., closed 8.8 down at 482.7. | said it would create an extra Page 32 year and nearly Im by the end

> Billed as a foundation for U.S. economic growth in the 1980s, the programme is dereinforce recovery without rekindling inflation" and to deal with the longer term problems of the decade, ally-financed such as enhancing competitiveness, energy security and productivity, Mr William Miller, ing the Government an extra

#### MAIN POINTS

• Encouragement for investment. Depreciation rates for new assets would be speeded by 40 per cent, and the classes reduced from 130 to

• "Economic Revitalisation Board" will be set up to foster co-operation between Government and industry on regulatory issues. Assistance to recession-hit communities in the form of

extra unemployment payments, some direct aid to cities and up to \$1bn investment bonuses.

Defraying of next year's increase in social security taxes by credits to both cmployers and employees, and a

special deduction to married couples to offset the increased tax penalty of filing returns jointly. the Treasury Secretary, told reporters.

Mr. Carter is asking Congress to approve only one element of his package immediately. This is an extension of federally-financed supplementary benefits for laid-off workers from 39 weeks to 52 weeks, cost\$750m next year.

The rest of the package would be presented to Congress next January, if Mr. Carter wins the election. In fact, the Senate Finance Committee has already approved a \$39bn tax cut for next year, with more relief to individuals than the Administration plan.

The Carter package, which includes faster and simpler depreciation for business investment, more Federal money for research and development, lighter tax treatment for Americans working abroad and approval of export trading com-panies, could increase real Gross National Product by 2 per cent after two years and investment by 10-11 per cent, said Mr. Charles Schultze, chairman of the President's Council of Economic Advisers.

David Lascelles in New York adds: Major U.S. banks yester-day raised their brokerage by between 1 and 1 percentage points to 11 per cent, another indication of the upward trend in U.S. interest The move came after increased their Prime Rates earlier this week to 11! per cent, a move which Citibank of New York belatedly joined yesterday.

U.S. economy, Page 16

National

Business

# Call for increased public spending or tax cuts

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE Government should increase public spending or cut taxes to avoid making the recession even worse, the National Institute of Economic and cave in it quarterly review published this morning.

The institute, an independent being settled. Demand for the metal is low worldwide. Page 31 research organisation, warns that the prospects for un-● TUC General Council will ask for a meeting with Mrs. Mar-garet Thatcher, the first since employment are probably the worst since the 1930s. Although output may recover modestly next year, after a substantial fall this year, unemployment is she became Prime Minister, to demand immediate action to likely to continue rising for stem unemployment. Back Page

some time after 1981. There is the danger, according to the institute, that if the increase in money wages de-celerates the main immediate result will be a reduction in demand, making the recession

● ENERGY consumption in even worse. "Unless the Government Britain in the first half of this takes the view that even higher year was 8 4 per cent lower than levels of unemployment are in the corresponding period of 1979. Oil was the fuel most needed, there seems to be no reason why it should not use fiscal policy to bring about a rise in consumers' expenditure and **6 INTERNATIONAL Monetary** Fund plans to raise about \$25bn from oil producing nations in the next three years in output in 1981." The institute doubts whether institute, a prominent critic of

		Institute (August)	School (June)
Gross Domestic Product	1980	- 1.8	- 2.3
Cross Dominate Trouble	1981	+ 0.6	- 0.4
Consumer spending	1980	+ 0.5	+ 0.2
	1981	+ 0.1	<b>- 0.5</b>
Consumer prices	1980	+16.7	+18.2
<del>-</del>	1981	+15.3	+15.5
Current account, £bn	1980	- 0.8	<b> 1.9</b>
-	1981	+ 2.0	+ 0.25
Unemployment millions*	1980	1.75	1.67
_	1981	2.19	1.94
* Figures for tourth qu		year in Great Brit	ein.

COMPARISON OF FORECASTS

Percentage change from previous year

justed) wages can anyway be secured under free collective bargaining and without changes in the wage bargaining system. Calls for fiscal reflation and an incomes policy (although these words are not used) have

a reduction in real (inflation ad- monetarist policies, and they do not carry much weight with the present Government. The Treasury would argue that any reduction resulting

from lower money wage rises Continued on Back Page Editorial comment, Page 16 National Institute review,

# Sterling slips after recent gains

been frequently made by the

BY OUR ECONOMICS CORRESPONDENT

gains of the last few days. The dollar also fell as the previously weak Continental currencies staged a partial re-

profits by 41.6 per cent to £18.66m on sales which increased by 13.8 per cent to £193.5m. Page 18; Lex, Back Foreign exchange dealers referred to fairly active business. There were reports of one or • YORKSHIRE CHEMICALS two large sellers, possibly from improved its first-half taxable profits from £345,000 to the Middle East. profits from £348,000 to £408,000, but the directors de-

Sterling may have been helped earlier in the week by expectacided to postpone consideration tions that UK interest rates will of a dividend payment until the remain high and by reports of further North Sea oil finds.

STERLING yesterday fell had been buying sterling ahead trading range of \$2.3965 to sharply against both the French of the large, £1bn plus, payfranc and the West German ment of Petroleum Revenue Tax Deutschemark after its big due on Monday.

The sterling trade-weighted index fell 0.3 points to 75 9 ofter gains of the last few days. The result yesterday was that

the pound fell from its previous four-year high of DM 4.301 to DM 4271, although this still compares with a rate of DM 4.181 at the beginning of the month. Sterling slipped from a 51-year high of FFr 10.01 to FFr 9.93 last night, compared with FFr 9.71 at the beginning of August.

Sterling held up better against the dollar, closing only 15 points down on the day at It is possible oil companies \$2.3895 compared with a day's

touching 76.3 in the morning. The dollar finished near its lowest levels of the day against currencies, closing at 1.7870 compared with DM1.8005 previously. Currencies. Page 29

£ in New York Spot \$2.3960.3960.\$2,3820.3830 1 month 1,45-1,40 dis 1,35-1,30 dis 3 months 2,88-2,83 dis 2,90-2,85 dis 12 months 6,15-5,96 dis 6,40-6,30 dis

# Property: Trafalgar House's City site

U.S. industry: the Carter package Jerusalem: the war of words ..... Canada: why newspapers keep closing 

Energy review: Malaysia—heir to a gas bonanza ..... Management: how 3M cut its energy bill .....

plan ..... Lombard: Ian Davidson on the Polish challenge ..... Editorial comment: profits squeeze; Latin America ...... 16 Survey: forestry and estate management 

Stock Markets: ANNUAL STATEMENTS Intal. Companies 23-25 Con, Plant ..... Leader Page ...... Letters ..... Base Retes ...... Bus. for sale ..... London Options ... Today's Events ... Sime ...... Commodities ..... UK News: INTERIM STATEMENTS Energy review ... Entertain. Guide ... Angle Am. ....... 22 Hong Kong ....... 7 TV and Radio ..... 14 Hong Kong ...... Unit Trusts .....

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#### Slump in Polish strike demand leader calls cuts ICI profit 52% formoderation BY OUR FOREIGN STAFF

Communist Party leadership

had been completed.
Mr. Walesa's appeal, made to

delegates from other plants

assembled at the Lenin Ship-

vard in Gdansk appeared to be

conciliatory gesture towards

Government negotiators, led by

Mr. Miecyslaw Jagielski, the Deputy Premier.

On Wednesday night Mr. Jagiclski said that agreement had been reached on most of

the strikers' demands, except

on the issue that they regard as central—the establishment of

free trade unions independent

of the existing State-run union

organisation.

A full negotiating session scheduled to begin last night

was delayed, apparently to allow the two sides to continue less formal talks in small

groups which have been examin-

ing the detailed implications of

the demand for independent

There has been no sign so far

that the Polish leadership has

in any way softened its pre-vious refusal to contemplate

this step, which it has appeared

to include under the heading of

demands that would threaten

the very basis of the Communist system in Poland.

Dissidents said strikes were

The number of plants affected in Wroclaw had risen to 38,

a standstill apart from a few

private taxis allowed to run by

at the Lenin shipyards: "It is

not good to have Poland terrorised." He said he was

Before the resumption of

Standstill

mining region.

negotiators.

By Sue Cameron, Chemicals Correspondent

A DRAMATIC fall in demand for petrochemicals, plastics, fibres, dyestuffs and oil products cut Imperial Chemical Industries' pre-tax profits by 52 per cent between the first and second quarters this year.

The group said yesterday it saw no immediate prospect of an improvement. Its pretax profits between April and June amounted to only £72m.

Basic commodity chemicals normally account for half the group's sales. The fall in demand was concentrated in Western Europe.

Fibres' consumption have gone down 30 per cent since the start of the year and

the start of the year and volume sales of petrochemi-cals have dropped by between 20 per cent and 30 per cent over the same period.
ICI's profit margins suffered

accordingly and the group said that trading conditions continuing deteriorate." It said it had been forced

to cut its oil refining opera-tions by about 50 per cent between April and June because "there is no profit to be made there." Trading profit on its oil business rose by only £4m to £29m between the first and

second quarters of the year despite an increase in crude production from the North Sea's Ninian field where ICI has a 19.2 per cent stake. ICI said its £72m pre-tax profits for the second quarter of 1980 were "very disap-pointing" compared to the £152m it made in the first three months of the year and

the £162m in the second quarter of last year. The £72m figure comes after a currency exchange loss of £17m. The group's sales between April and June were £1.452bn
—4.6 per cent lower than the
1.523bn of the first quarter. ICI's UK exports also fell from £349m in the first

quarter to £291m in the

Sales for the first half of were nigner the same period last year-£2.975bn as against £2.567bn. But pre-tax profits for the first half were down to £224m compared with £260m in

The group said its poor results came despite comparatively strong performances from its pharmaceutical and fertiliser divisions, which had Continued on Back Page

Company report, Page 19 Lex. Back Page

MR. LECH WALESA, leader of The creation of rival trade the striking shipyard workers unions would split the unity of in Gdansk, appealed yesterday the Polish working class, provoke internal struggle and bring anarchy into public life, it said. to workers elsewhere in Poland not to take any action that would spread social unrest before the negotiations with the Trybuna Ludu said it would

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political movement absorbing and proclaiming conceptions contradicting the Socialist system and order." The Government had appeared willing to discuss a possible limited form of free trade unions when it proposed setting up a joint group of experts to define the strikers' demand.

mean "an entirely new struc-ture which, under one name or

another, would be a de facto

#### Cast doubt

One strike leader said he thought the talks had been pro gressing until Mr. Jagielski appeared to cast doubt on the issue in a television speech on Wednesday night. The Deputy Prime Minister said: "We believe that this crisis of confidence can and must be overcome within the framework of

existing union bodies."

In the western port of Szczecin, Mr. Kazimierz Barcikowski, the Government negotiator, failed to turn up yesterday for two scheduled rounds of talks with strikers.

In Warsaw, the official Polish news agency Interpress denied that Mr. Edward Gierek, the Communist Party leader, was likely to lose his post because of the two-week strike. Interpress was reacting to strong rumours in Warsaw that Mr. Gierek might be replaced by gaining ground in Poland's second-largest city, Lodz, and Mr. Stefan Olszowski, a former foreign minister.

in the southern city of Wro- Mr. Olszowski, an outspoken claw near the Silesia coal- cyritic of Mr. Gierek, was appointed ambassador to East Germany after being dropped from the politburo in February. they said. All transport was at But he was brought back into the politburg last week in the Government shake-up in which strikers. Prime Minister
Mr. Walesa told the meeting was dismissed. Prime Minister Edward Babiuch Allies hope to isolate strike's

#### making the appeal at the request of Government Teachers' threat

More than 1,000 members of talks between the Government the National Association of and the strikers, the position of Schoolmosters and Union of the two sides appeared to have Women Teachers, in Northampbardened. Mr. Walesa described tonshire are threatening strike them as "separate, polarised action unless assurances are and apart." The Communist Party news- next Tuesday that no more paper Trybuna Ludu said the teaching jobs will be lost unions tree of party control was Nearly 150 teachers are at striking at the whole Polish present expected to lose their State.

# Who is lift trucks...

# HYSTER?

SEE PAGE 15

surplus—was DM 12.3bn in the are not becoming fundamentally red in the first half, compared less competitive on world with a deficit of "only" markets—rather the reverse. In

DM 10.1bn for the whole of real terms. West German 1979. And the Deutsche Mark exports rose in the first half by

has been declining against every major currency except the lira 6 per cent.

IFO now believes that with

None the less the relatively optimistic IFO projections are well worth taking very seriously. This is not just because the institute was among the first correctly to forecast

the first correctly to forecast countries, as well as energy-

# Polish allies try to head off strike effects

BY PAUL LENDYAI IN VIENNA

CONCERN IS growing in Eastern Europe about the wider con-sequences of the Polish crisis. In Romania and Czechoslovakia there have been well-publicised warnings to workers not to follow the example of the Polish strikers. The Hungarian authorities have prevented dissident intellectuals from travelling to Warsaw.

The concern of President Ceansescu's Government in Romania was underlined in an editorial of the Communist Party newspaper. Scinteal. yes-terday, which warned Romanians by implication that strikes "cannot resolve but only complicate economic problems." The Romanian paper expressed the hope that Poland would resolve its problems without intervention from the outside—which Scinteia made clear

primarily involved the Western Some Western comments could only aim at dramatising and distorting the events, according to the Romanian paper, which said the talks between the Polish leaders and the strikers were characterised by an atmosphere of "constructive spirit and mutual under-

standing."
The Romanian leadership. faced with grave economic problems is evidently afraid of similar strike actions. Some 30.000 miners stopped work in the summer of 1977, and there have been sporadic labour troubles in the last few weeks. The newspaper said economic problems could be found in any Czech and Hungarian dissident intellectuals have sought to express their solidarity with the striking workers in Poland

Two spokesmen for the 77" human rights movement in Prague, Mr. Milos Rejehart and Mrs. Maria Hromadkova expressed support for the Polish strike committee and said the action of the Baltic workers would bring positive results not only for the Polish working class but also for human rights in the world as a whole. The message was handed to a Western correanded to a Western corre-Yugoslav newspapers are cover-pondent stationed in Prague. ing the crisis in depth and Five Hungarian human rights factually. spondent stationed in Prague.



potential problems

activists have been prevented by the police at Budapest airport from leaving Hungary for Poland. The five are among the 184 signatories of a declaration of solidarity with the Charta 77 movement, issued earlier this year in Budapest Police apparently confiscated their passports but did not

detain them. The Czech Communist Party organ, Rude Pravo, has warned that Western propaganda dramatises events in Poland, blows them up to "absurd dimensions" and uses them for slanders and insults against the Polish leadership.

Directors of Western propaganda were eager to see events become even more complicated and to see the emergence of conflicts which they could use for further slandering of socialism, the party paper said.

Tass, the official Soviet news agency, is more often using such quotes from Czech and East German newspapers in its service for foreign subscribers. While the entire East European Press relies only on official Polish sources in reporting the industrial unrest. the

#### Warsaw delays purchase of petrochemical plant

THE POLISH Government has on other industrial equipment asked a Japanese trading com- sales may also be delayed. pany to postpone talks on the purchase by Poland of a \$100m that Poland, which is saddled (£42m) petrochemical plant, with external debt of almost according to reports from \$20bn, is not in a position to

been close to agreement. The a priority. company said that Warsaw had

directly to the current wave of foreign exchange to conclude strikes in Poland and that talks many industrial purchases.

It is more likely, however, incur additional debt for indus-Mitsui and Co., which was to brial purchases, especially now provide the plant, said on that the country has announced Thursday that the two sides had that heavy industry is no longer

Under present not indicated why and for how Poland is to repay \$7.1bn this long the negotiations were to be year and \$6.5bn in 1981. Officials postponed. There are fears in Tokyo that that even if the strikes end the postponement is linked soon. Poland will not have the

#### UK attacks Oslo plan for oil-gas price parity

Norwegian attempts to push gas from new fields coming onprices up to the same level as stream towards the end of the for crude oil would hit 1980s should be set at a level the industrial countries by in- corresponding to that of crude creasing their costs. This policy oil.

NORWAY'S drive to secure was the same as that for which price parity with oil for its onshore gas was strongly criticised
yesterday by Mr. Hamish Gray,
Minister of State at Britain's
Minister of State at Britain's
Norway's Prime Minister. who Speaking at the Norwegian was speaking at the opening of an oil exhibition in Stavanger.

Mr. Nordli said the price of gas

#### Channel ports almost back to normal

By Robert Mauthner in Paris

PASSENGER traffic in several Channel ports began to return to normal yesterday. after the French Government had taken a firm stand on the month-old fishing dispute and the navy intervened to break the fishermen's blockade of oil ports.

Since yesterday morning, ferry services to England were reported to be running more or less normally from Calais, Dunkirk, Le Havre. St. Malo and Roscoff. But Dieppe, Cherbourg and Boulogne were still closed to passengers. The situation re-mained particularly tense in Boulogne, where truck drivers, frustrated by the fishermen in their attempts to transport and deliver their goods, have organised a counter-strike.

frawlermen, who managed at one point to block France's two main oil terminals at Fossur-Mer and Antifer, near Le Havre, were yesterday nursing their wounds from their sea battles with naval vessels armed with water cannon.

The two oil terminals were open to traffic yesterday, but the blockading fishing boats had suffered heavy damage. This is estimated at FFr 2m (£200,000) for those which took part in the Antifer skirmishes alone.

At a nearby fishing port to which the trawlers had withdrawn, the defeated fishermen publicly burned their tricolor flags in an angry gesture of protest that the navy had agreed to fight seamen of their own nationality.

The fishermen and the Left-wing trade unions are particularly incensed by the authorities' decision to use riot police on naval vessels to break the trawlers' blockade.

Meanwhile, a Government mediation commission met the two sides of the trawler industry in Parts to seek a solution to the dispute, after the Com- EIGHT VILLAGES and towns munist-led CGT union had rejeced as unsatisfactory the Government's measures for improved marketing arrangeand better price sup-

#### **Dissident** priest jailed in Moscow

By David Satter in Moscow dissident Russian orthodox

priest, was sentenced yester-day to five years of hard labour and five years of internal exile after being found guilty of anti-Soviet agitation The verdict and sentence were announced by the Soviet news agency Tass which said that Father Yakunin, the head of the Christian Committee for the Defence of Believers' Rights, had attempted to undermine the Soviet system.

The conviction of Father Yakunin coincides with successful efforts by workers and dissidents in Poland to force the Polish Government to grant more rights to the Polish Catholic Church. It emphasises the very different position of the Russian Orthodox Church, which is under strict Communist Party control. Several members of the official church hierarchy testified that

Father Yakunin's research into the position of Christians in the Soviet Union had hindered them in representing the church at inter national conferences.

The prosecution called two other church activists, Lev Regelson and Viktor Kapitancuk, who are awaiting trial on charges of anti-Soviet agitation to testify against Father Yakunin. But both said his work was not aimed at subverting the Soviet system. they had been warned not to must withhold support for Polisario is anxious to challenge Morocco's assumption that it can assert sovereignty over pending.

sensus, meaning that the indus- age

THE WEST GERMAN ECONOMY

# Cost of living figures signal inflation rate slowdown

WEST GERMAN cost of living figures for August, just released, give further evidence that the underlying inflation rate here is now slackening. Preliminary data from the

Federal Statistical Office show that the cost of living this month was 5.5 per cent higher than in August last year. This compares with an annual rate also of 5.5 per cent in July and rates of 6 per cent in both

May and June. Meanwhile the cost of living this month was only 0.1 per cent higher than in July. This compares with monthly increases of 0.2 per cent in July,

and 0.5 per cent in June.
It has long since been clear that the Government's hopes of an average inflation rate this year of about 4.5 per cent cannot be fulfilled. But it is felt possible that the annual rate will have fallen to around 5 per cent by the end of the year and that the average for the whole of 1980 will be

between 5 and 6 per cent. The slackening in inflation is accompanying a gradual economic downturn in which the Bundesbank has so far not been ready to relax its high interest rate policy, although it has moved to ease the liquidity position of the banks.

Factors expected to cut the inflation rate further in coming months include some reduction in the rate of

increase in import prices.

For the Bonn Government.

the present cost of living

figures are coming at a convenient moment, with a general election only five weeks away.

• Kloeckner Werke AG said yesterday that it awaits a decision on possible State aid before it goes ahead with a coal gasification project in its Kloeckner Huette Bremen plant, Reuter reports

# Heading back to a familiar virtuous circle

BY JONATHAN CARR IN BONN

٠,	1					
•			BALANCE OF PAYMENTS	ON CURREN	1 ACCOUNT	
2	increase next year, its current account deficit—while still large		Visible trade	% cha	nge over prev	оцѕ уеаг
_	-should decline, and the	expected strengthening of the		1979	T980	1981
1	Deutsche Mark stands a good		Exports (real)	+7.1	+5.0	<b>—o</b>
	in nominal terms.	important implications for the Bundesbank (the Central Bank)	imports (real)	+9.1	+5.0 +13.0	+0 +3.5
:		—currently keeping its key	Exports (nominal) Imports (nominal)	+ 10.4 + 19.8	+ 18.0 + 18.0	+3.5 +2.0
•	clusions in a report by the IFO				alance (DMb:	
2		capital imports and thus help to finance the current-account	Current account			<del>-</del>
	surplus in the first half of this		A) Visible trade (nominal)	+22.4	+10.0	+16.0
t	year has been cut to DM 4.5bn	The main reason so far for	Supplementary trade items     Services	+0.7 12.4	+1.0 15.0	+1.0 -14.0
5	(£1.05bn), compared with		D) Transfers	20.8	-23.D	-23.0
		been a further worsening of	E) Current account balance	٠.		
		West Germany's terms of trade	(A+B+C+D)	— <b>10.</b> 7	<b>−27.û</b>	<b>20.0</b>
		-with export prices rising by an average of 7 per cent in the	Source: Dautsch	Bundesbank en 1990 and	d IFO Economic 1981 figures, IFC	: institute; D estimate
i		first half and import prices (not				
		least of oil) by no less than 18.5				
ı		per cent. But if the price			ession from	
!		factor is excluded, it becomes				emerge
		clear that West German exports		next year, (		

bill down.

West Germany's success as an exporting nation is likely to continue for two reasons. One is that the Deutsche Mark's tendency so far to decline—com-bined with the large, and in some cases growing, gap between Germany's low between Germany's low inflation rate and that of other countries—will help to keep German export goods price-

Further, it is noted that while

competitive.

prices (barring a new Middle into a recession from which East crisis). This will help to they should start to emerge keep West Germany's import next year, others are only now starting to do so. Thus, in con-trast to 1974-75, the Western recession is phased, markedly reducing the danger of a sharp general setback in demand for German goods.

This will not stop the 1980 current account deficit from reaching a record figure, which IFO calculates at about DM 27bn. Quite apart from the cut in the trade surplus, the country will have bigger deficits on services (such as German West Germany's plunge into saving measures, will help to some customer countries such tourists' spending abroad) and current-account deficit. It is prevent a sharp rise in oil as the U.S. have already gone on transfers (such as sums sent

home by foreign workers).

None the less, IFO believes the trend will be changing in the second half, and that this will become manifest in 1981. Not only will the 1981 trade surplus be larger, the invisible deficit will be reduced. The foreign holiday boom is expected to

slacken, for one thing. According to IFO, the inflation differential between West Germany and other countries will have an increasing impact on the exchange rate in 1981. The outlook, it believes, is thus for some strengthening of the Deutsche Mark which will help to reduce the imported element of German price increases.

None of this is to suggest that the current account deficit will be removed altogether in the near future. But if West Germany is seen to he reducing its deficit while keeping its in-flation rate markedly lower than that of other countries, capital will flow in even if interest rates are nominally somewhat lower than elsewhere.

This analysis, with all the reservations applicable to forecasting, suggests that the West German economy may be once again heading for a familiar. virtuous circle, while some of its main competitors stay caught in a vicious one.

Police hold

12 Bologna

By Rupert Cornwell in Rome ITALIAN POLICE yesterday arrested 12 suspected right-wing extremists on charges connected with the Bologna

station bombing—the biggest round-up so far since the outrage of August 2 in which 84 people lost their lives.

The police dragnet, centred

on Rome but including other

towns in central and northern

Italy, follows the issue of 28

warrants by Bologna magis-

trates investigating the

massacre. A nationwide search ordered simultaneously

bomb

suspects

# Andalucia villages strike over jobs

BY ROBERT GRAHAM IN MADRID

near Seville were yesterday disrupted by a strike called to pro-of the rural jobless in civic test against the continued ments. bigger subsidies for failure of the Spanish Governthe Minister guaranteed money the modernisation of fishing ment to deal with unemploy- would be made available. ment and agricultural reform. The strike was called by the radical peasants' organisation.
Sindicato Obrero del Campo and
backed by the anarchist movement, CNT. The strike is a further sign

of the depth of disaffection in Andalucia over diminishing iployment in agriculture. A 10-day hunger strike involving up to 700 people in the village FATHER GLEB YAKUNIN, a of Marinaleda, near Seville. ended only last Saturday. This The main political parties are followed urgent appeals to the concerned at the extent the Government and a special meeting between Sr. Sanchez Gor dillo, the village mayor, and radicalised Andalucia (The Sr. Salvador Sanchez Teran, the Minister of Labour at the Minister's holiday home.

Madrid refuses formal

Until

underlines Spain's dilemma in sario had hoped for formal dealing with Polisario and the recognition by Madrid, but the

BY OUR MADRID CORRESPONDENT

Spanish fisherman were cap-tured by the Western Sahara colony.

liberation movement, Polisario,

the Madrid Government is still

refusing formal negotiations for

their release. This has emerged

from a meeting between Premier Adolfo Suarez and members of the fisherman's

The stalemate on the issue

strong pressures being brought

to bear on Madrid by the

According to Polisario state-

ments the captured men were

fishing in Saharan waters where

Moroccan Government.

The hunger strike was to proworks. It was called off after would be made available. The amount to be made avail-

able has not been revealed and there is strong feeling in Anda-lucia that the Government of Sr. Adolfo Suarez is merely playing for time. Marinaleda was yesterday one of the places paralysed by the one-day general strike. At the same time, the mayors of some 20 Andalucian villages locked themselves inside the Seville County Council building in protest,

widespread success of Marinaleda hunger strike has Socialists and the Communists on Wednesday urged the mayors of towns and villages in the

early this year tha

Polisario. This included a meet-

ing in Madrid between the

Spanish Foreign Minister, Sr.

Marcelino Oreja and two top

Polisario representatives. Poli-

Since then Morocco has

pointed out that if Spain wants

ACTIVITIES

and pilot processing.

especially in 1975-7

and processing

and processing

Exploration, collector testing

Continuing exploration, test

Exploration in 1978, test mining

Exploration in 1974, test mining

nining and processing



doubted

BY WILLIAM DULLFORCE IN STOCKHOLM

Seville area to seek a negotiated But the peasants' organisation appears determined to make tackle the roots of the problem.

rates on so-called priority long-

At the same time, the state

debt office launched a 10-year

bond at 12.5 per cent, the

highest rate it has so far paid.

mic situation and with the

account the bank rate could not

be adjusted to the lower inter-

THREE MONTHS after 15 waters which were within the SWEDEN'S RIKSBANK (cen- ling budget deficit through

territory of the former Spanish | tral bank) yesterday authorised

Spanish Government had gone term bonds and indicated that

out of its way to establish a it would not reduce its discount working relationship with rate under prevailing condi-

meeting produced tough protests strong deterioration in the from Morocco.

to retain its vital fishing national interest levels which

interests in Moroccan waters it had appeared in recent months,

the most of the present pub-licity to pick up supporters and put pressure on the Government. The leader of the organisation, Sr. Paco Casero, was quoted yesterday as saying: neither the Government and the opposition stop making high-sounding de-clarations and tackle in earnest the agricultural reform that Andalucia orgently needs, or we will begin to make calls for a popular revolt and civil disobedience.\*\* In parts of Andalucia, the proportion of unemployed is as

high as 18 per cent of the active population. This summer, too. there have been fewer jobs available in the hotel industry on the coast. In the past two years, the Government has years, sought to combat agricultural unemployment in Andalucia by offering jobs in public works The peasants' organisation argues that this institutionalises The unemployment and does not

longer-term borrowing. Short-term financing of the deficit

would boost liquidity within the

economy and place enormous demands on state debt-financing

The budget deficit was estimated ot reach about SKr 55bn

(£5.6bn) this year before the increase in value added tax and

in excise duties on spirits,

tobacco and fuels now being debated in the Riksdag

According to the Riks bank, the higher long-term rate should also improve conditions

for an expansion of the Swedish

capital market by offering an

stimulate the market have

incentive to new investors in

Earlier attempts to

policy, the Riksbank said.

has also unearthed caches of weapons and other illicit material. All of those taken into custody are from far-right circles, among them the "NAR" (Nuclei Armati Rivoluzionari) and the fascistinspired. "Ordine Nuovo" (New Order), which appears Swedish central bank lifts to have been reconstituted on a clandestine basis since being talks on Polisario captives long-term bond rate 1% banned by the Interior Ministry in 1973.

The charges brought so far are various. They range from that of belonging to a subversive organisation, to the illegal possession of arms and explosives, and multiple holdups. But some of the suspects are understood to face specific charges of plotting and organising the Bologna bomb-

ing. Sig. Ugo Sistl, the chief public prosecutor, made clear yesterday that the round-up was a first phase, and did not signify that the investigators had got to the bottom of the case. So far, he admitted, magistrates had not yet discovered those who had actually carried out the attack

at the station. Moreover, those arrested are all Italians, despite indications in the immediate aftermath of the bombing of heavy foreign involvement After its successful vote of

confidence on Wednesday night, the Government is now resigned to the fact that it will be unable to secure Parlia-mentary ratification of its two major economic decrees before their 60-day lives expire on September 1 and September 7 respectively.

With obstructionism con-

tinuing unabeted yesterday. the three-party coalition headed by Sig. Francesco Cossiga is resolved to represent the decrees when the original ones lapse, incorporating amendments carried by the Senate, but bogged down in the interminable present discussions in the Chamber of Deputies.

Milan inflation MILAN'S August cost-of-living will have risen 1.18 per cent from July, indicating a slowdown in Italy's inflation already hinted at by provisional data for Rome and

The year-to-year increase in Milan was estimated at 21.17 per cent. Agencies

#### Law of the Sea: end in sight after seven years of negotiation BY DAVID TONGE, DIPLOMATIC CORRESPONDENT AFTER SEVEN years of considered the most difficult Delegates had hoped to comtific research. issue-voting rights in the 36-THE MAIN SEABED CONSORTIA

PARTNERS

arduous negotiations, delegates to the latest session of the Law of the Sea Conference ending today in Geneva now believe that only one more negotiating ing production and marketing session will be necessary. This of the nodules of manganese, is expected to be held in New copper, cobalt and nickel which York in the second quarter of next year and to result in a binding treaty sharing out rights over the two-thirds of the world's surface covered by seas

"The substance of a new comprehensive treaty, in very close to final form, is at hand," according to Mr. Elliot Richardson, the chief U.S. negotiator.

current The session opened and closed with an acrimonious debate over unilateral deep sea mining legislation recently enacted by the United States and West Germany to protect their com-

However, this debate did not prevent the delegates from 153 the council involves a complex served greater rights over the council involves a complex served greater rights over the council involves a complex served greater rights over the council involves and the lems countries making major progress on what has long been portant decisions on seabed have been classed as a "com- nology. There was also dis-

nation council which will run the proposed International Seabed Authority. This Authority is to be a unique body, regulatcopper, cobalt and nickel which lie on parts of the seabed.

arm, the Enterprise, which will purchase mining and processing technology from

The interest eroused by the question of control of the did and which

Exploration Managemen (OMI, OMINC) Ocean Minerals

Ocean Mining

It is to have an industrial industrialised states and from mining companies.

Authority reflected the hopes that once were vested in the Eldorado" of the seabed. But as forecasts of world demand for minerals have failen, the mining companies' expectations from the seabed have slumped. None of the consortia is now spending the sums they once their importance, will require man of the group of developing or three-quarters. The developpanies interested in the sea hed probably total around \$200m. The proposal for control of ing countries believe they de-

Kennecott Copper, RTZ Consolidated Goldfields, BP, Noranda Mines, Mitsubishi INCO Group International Nickel, Sedco, three W. German and 23 lapanese companies

USUAL NAME

Lockheed Missiles and Space, Lockheed . . Co. (OMC, OMCO) Billiton (Royal-Dutch Shell) U.S. Steel Group U.S. Steel, United Minjere Associates (OMA) or Deepsea Ventures

mining and the sharing of mon right of mankind." But cussion on the production limits profits must be reached by con- they have endorsed the packtrial nations will have veto "In the sake of compromise, power over conference decision, we will live with it," according Canada. Other decisions, depending on to Mr. Kanyana Wapenya, chair-

together voting majorities of two-thirds and non-aligned countries. Other areas debated Geneva included the financing result-though the land-based

which will be imposed on the Enterprise to protect land another six-week session. based mineral producers such as compromises reached

have left both sides slightly unsatisfied but they appear to he willing to live with the

plete a final negotiating text and to upgrade this to a draft treaty. In the event this second step has still to be taken and various contentious issues remain outstanding.

The most emotive of these is whether the Palestine Liberation Organisation should be a party to the treaty and, on the other hand, whether the EEC should be. There remains work to be done on how the treaty can be amended and what rules will apply between its signature and coming into force.

But, as the head of one Western delegation said yester- suit. the general view is that could be wrapped up in The conference has already

acreed on the rules to govern navigation of the world's shipping: on the exclusive economic zones of up to 200 miles from the shore to be igven to coastal states; on fishing concessions mineral producers in par- for non-coastal states, and a ticular are determined to keep host of other issues ranging nations consider the U.S. legisfrom pollution to marine scien- lation as proof of bad faith.

However, the issue of unilateral legislation on mining rights continues to disturb the developing countries. The mining consortia have long been essing for such legislation. We will not spend a bean unless we are sure of rights of access and mining, albeit under conditions," one mining com-

The U.S. enacted its law protecting mining companies on June 28 and West Germany has introduced a similar law. Belgium, Britain, France and Japan are considering following

pany says.

The U.S. law forbids the Administration to issue exploration licences before next July 1 and to issue "any permit which authorises commercial recovery to commence before

January 1, 1988." The U.S. delegate insisted that this law does not undermine the Law of the Sea Conference, but the developing

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# هكالمن التحل

#### **AMERICAN NEWS**

# Fears increase over agreement on Somali bases

BY DAVID BUCHAN IN WASHINGTON

bases for Indian Ocean defence risks entaggling the U.S. in Mogadishu.
Somalia's quarrels with its Horn of Africa neighbours.
Representative Stephen Solarz.

chairman of the House Subcommittee on African Affairs, has set out his fears in a letter to Mr. Edmund Muskie, Secretary of State.

They are based on intelligence evidence to the sub-committee that Somalia has up to 1,000 regular soldiers serving with rebels who are fighting for the Ogađen province's separation from Ethiopia.

The issue was given fresh immediacy by reports this week from Somalia that it had been invaded" by Ethiopia, though Somalia later claimed to have repelled the alleged attack

The Carter Administration has just initialled an agreement significant to give Somalia \$20m this year Ogaden.

CONGRESSIONAL critics have in credits to buy arms and the complained to the Carter same amount next year, in Administration that the new return for U.S. ships in the U.S. agreement to use Somali Indian Ocean occasionally using the Somali ports of Berbera and

> Administration stressed this involves no U.S. commitment to internal Somali security, nor constitutes any commitment to help defend in against Ethiopia, which is now hacked by the Soviet Union.

The U.S. has reached similar agreements with Kenya and Oman on the use of their base facilities. Neither, however, is embroiled in such hot disputes with its neighbours.

Mr. Richard Moose, Assistant Secretary for African Affairs, told Mr. Solarz's sub-committee this week that Somalia was no longer seeking a military solution to the Ogaden dispute, but instead a political settlement. He doubted there were any significant Somali forces in the

# Police break up rally against Pinochet

streets of the capital on Wednesday night in a major opposition political demonstration in which overthrown nearly seven years

and at least two persons were broken up by hundreds of

during and after a speech by heard chanting two hours later. ex-President Eduardo Frei, in Sr. Frei, the leader of the power until at least 1989.

a meeting in a Santiago theatre Agencies

SANTIAGO — Thousands of to allow discussion of the Chileans marched through the plebiscite. About 8,0000 people packed the theatre before the speeches began, and police cordoned off an area two blocks slogans were shouted against around the building. Thousands President Augusto Pinochet. more people outside began The demonstration was the chanting anti-Pinochet slogans. largest in Santiago since Presi- singing and waving burning dent Salvador Allende was paper at the police barricades.

When Sr. Frei's speech ended, the theatre crowd joined Several people were arrested those outside the police perimeter in a noisy demonstration injured after the rally was that filled the street. The crowd was broken up after it police in riot gear. had marched about 10 blocks,
The demonstration erupted but small groups could still be

which he sharply criticised the Christian Democrat Party, who plebiscite. About 8,000 people lost the presidency in 1970 to called for September 11 to Sr. Allende, called for "a Christian Democrat Party, who decide the fate of a proposed civilian-military government of constitution that would give him transition" that would replace the army with a democratic The Government authorised regime in two or three years.

#### Brazilians mourn victim of terror bomb attack

poured into the steets of Rio saying "down with the dictator-yesterday for a funeral procesship" and "punishment for vesterday for a funeral procession for the victim of what is thought to be a terrorist bombing.

They were mourning Mrs. Lyda Monteiro da Silva, 59, a secretary of the Brazilian Bar Association, who was killed by a bomb that exploded on Wednesday in her office.

Other bombs went off at Rio's City Hall, injuring six people —one of whom was blinded and is critically ill-and at small circulation opposition newsnaper. Tribuna Operaria.

"punishment for

terrorists. People in office buildings cheered and threw paper from their windows as the funeral procession and demonstration went by, en route to St. John

the Baptist Cemetery.
President Joao Figueiredo.
the head of the Brazilian military regime, who has promised democratic rule, said the terrorist attacks "endangered national security." He ordered a federal police inquiry.

#### Census 'will not change for Congressional seats'

BY PATTI REALI IN WASHINGTON

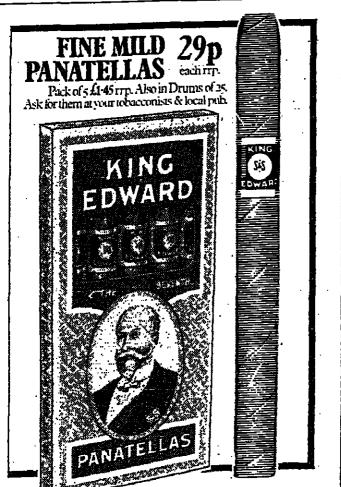
seats. It may, however, consider a recount for the allotment of and federal funds to state and local Amer governments, says Mr. Vincent the J. Barabba. Director of the condu

apportionment" of the seats in the fact is that most industrial the House of Representatives every 10 years. The allocation 1970.

THE U.S. Bureau of the Census of over \$50bn in Federal aid to state and local governments also depends on census information. The Census Bureau has come under attack from the mayors and governors of major American cities and states for the way the count has been

conducted. Census Bureau.

As required by the U.S. Constitution the official census allowing for the probability that serves as the basis for "fair the census missed many people.





Senator Mike Gravel

#### Alaskan Democrat victim of Bill defeat

SENATOR MIKE GRAVEL, Democrat, of Alaska, became the first senatorial casualty of the 1980 elections when he was knocked out in his state's Democratic primary by Mr Clark Gruening, ironically the grandson of the man from whom Mr. Gravel won his seat 12 years ago.

The Republicans are now given a good chance of winning the Alaska seat. With a large number of Democratic senators up for re-election this year, the Republicans are hoping that they might just add enough to their present tally of 41 seats (out of 100) to give them control of the U.S. Upper House.

Only this month Senator Gravel lost his long maverick passing legislation that would severly limit commercial development on 104m scres ef Alaska-roughly one-third of the state-and preserve it as wilderness. On several occa-sions, Senator Gravel has fillbustered the Bill to prevent it passing.

Mr. Gruening successfully played the campaign theme that Senator Gravel was shortchanging Alaska by his con-frontation tactics, which had come to grate on his Senate

However, this week also saw the remarkable resurrecgrave" of Senator Herman Talmadge of Georgia, who despite recent censure from the Senate for fiddling excratic primary in the still largely one-party South. This is tantamount to re-election to a sixth six-year term for the

#### Troops kill 30 guerrillas in **El Salvador**

SAN SALVADOR - More than 30 guerrillas were killed in a battle with troops after two fuel tanks at a power station in the industrial suburh of Soyapango, east of the capital, were set alight on Wednesday night, according to San Salvador police.

Officials at the plant estimated damage to the diesel fuel tanks at more than \$400,000 (£167,000). Electricity supplies to the city were briefly interrupted. Fighting between guerriflas and soldiers raged for about

three hours in Soyapango and many bodies were still lying in the streets yesterday awaiting identification.

Residents said the guerrillas struck at about 5.30 pm, blowing up the power plant, wrecking a high tension tower with dynamite. and setting the storage tanks on fire. Guerrillas also bombed and

destroyed power lines north of the capital, causing power cuts in parts of the city. The blackouts reduced capacity at the municipal waterworks, causing shortages of running water. Police said they believed the attack was to avenge last week's arrest of 17 members of the electricity workers' union, who led a strike which blacked out the entire country for 24 hours, in protest at the firing of 35 workers.

#### Peru bid to restructure debt

Agencies

LIMA-Peru will negotiate the restructuring of its foreign debt next year and will seek to attract foreign investment in the mining and oil industries to overcome financial and economic difficulties. Sen. Manuel Ulloz, Prime Minister, told Congress.

The foreign debt at last December 31 stood at \$9.36bn. He said in his first speech to Congress since the elected government of President Belaunde Terry took over from a military administra-

tion a month ago. Sen. Ulloa said domestic inflation in the first half had been 37 per cent instead of the 19.5 per cent figure given by the outgoing government.

The latest Canadian newspaper closures may not be the last, Robert Gibbens writes

# Press fights losing war with rising costs

major Canadian newspapers mentary Commission. have died. This week the town, closed down on the same

soon follow.

and population not growing, not allow the existence of two "quality" dailies in most Canantics of two only ends the long expensive struggle by the two dalies the and population not growing, do Toronto Star.

#### 

Journal and the Tribune. There were charges that the public's access to news and comment would be reduced, that the the Province, each chain with a newspapers chains were carv- half share in Pacific Press

IN LESS than a year, three Royal Commission or a Parlia- viving English language daily Telegram went under, major Canadian newspapers mentary Commission. to Southam, The value of both The basic issue in the decline

The Opposition New Demo-Ottawa Journal, the second crats said the Federal Governdaily in the federal capital, and ment should help the newspaper the Winnipeg Tribune, the industry with subsidies, Similar second daily in what was once appeals were made after the Canada's liveliest newspaper closure of the Montreal Star. Mr. Jim Fleming, federal

Minister of State, said yester-The Montreal Star, one of the day that the Government was country's most respected considering an inquiry into the dailies, shut last September, a closure of the Journal by the casualty of a long and bitter Thomson group and the Tribune Other closures may by the Southam group. The two groups between them control It appears that the economics the vast majority of Canadian of newspaper production in an daily newspapers and all the age when inflation is mounting quality newspapers except the

of every hue decried the decision of Canada's two major publishing chains to elected the decision of canada's two major publishing chains to elected the decision of canada's two major publishing chains to elected the canada's two major publishing chains the canada's t associates and competitors in different cities.

> couver to Southam, leaving Southam sole owner of the Vancouver Sun and the Vancouver Province. Thomson had operated the

deals was C\$57m (£20m).

national news and the second Thomson sold its half interest in Pacific Press Limited of Van-

Vancouver Sun and Southam

The flagship of the Thomson Group in Canada will remain the Globe and Mail, based in Toronto, but with a total cir-culation of over 300,000 daily across Canada. In October the Globe plans to bring out a

national edition with two sections, the first containing ribune

the existing report on business. It will be printed in Toronto, Calgary and Montreal. The paper will continue a separate edition for Toronto and the province of Ontario market, and advertising policies have been adjusted to the concept of the national edition and a Toronto edition.

Daily papers have been dying in English and French Canada for the last 15 years. Two of the remaining major newspapers are economically Several major Canadian FP Publications late last year, marginal, including La Presse, newspapers that survive might and Southam, publishers of the in Montreal, which 25 years ago have gone under in the Winnipeg Tribune, would allow newspapers chains were care that share in Pacific Press in Montreal, which 25 years ago have gone under in the Winnipeg Tribune, would allow ing up the remaining market which published both newsacross Canada, and that there papers.

In Montreal, which 25 years ago have gone under in the Winnipeg Tribune, would allow was the largest circulation daily past 20 years if some union publication to continue when in Canada. Subsequently it was demands had not been defied, the papers were losing millions should be an inquiry by the Thomson also sold one third overtaken by the Toronto Star.

of Canada's daily newspapersas in Fleet Street—is the struggle to adopt technological change in time and absorb the rising cost of labour and materials, such as newsprint. It is more fundamental than the competition for advertising and circulation from the electronic

are criticised for resisting technological change because the number of jobs available would be seriously reduced. Managements have been accused of inept methods, refusal to negotiate in good faith and mis-judgement of their markets.

The technological tools exist to bring about tremendous strides in newspaper produc-tivity, through computerised typesetting and automatic equipment for fast bundling and insertion of supplements. What has been lacking is mutual agreement on the terms for accepting such technology quickly and effectively.

Federal Combines Branch, a of the Gazette, Montreal's sur- which profited when the Toronto and Mail. On other occasions, of recovery,

Canadian unions representing printers and other trades have been willing to compromise on technological change and overmanning, only to be overruled by their union head offices in

The Canadian Press has other difficulties. Several afternoon papers have been strangled by short office hours and city traffic tie-ups, though some The charges are familiar to have survived by switching to those acquainted with Fleet morning publication. But prob-Streets problems. The unions lems of circulation and adverlems of circulation and advertising revenue have been over-shadowed by those of high

costs and low productivity. No Canadian Government has intervened. Politicians have said they cannot act without a groundswell of public support especially in the area of

subsidies In the absence of controversy was not likely that Thomson Newspapers, which inherited the problems of the Ottawa

#### The Montreal Star FINAL COLTION

Several major Canadian FP Publications late last year,

# China steps up criticism of Reagan over Taiwan links

the U.S. Republican Presi- of formal links with Taiwan dential candidate, over his pro- would be a "grave retrogres-posal to upgrade links with sion" in Washington's relations

Sino-U.S.

with Peking.

one year agreement would cost £151.38 a month (with 11 monthly rentals to follow) and over two years £113.05

China's" policy.

CHINA continued its relentless People's Daily commentator Mr. Leonard Woodcock, the U.S. staff, one of whom said it would Taiwan. criticism of Mr. Ronald Reagan, charged that re-establishment Ambassador, said it would be be "highly dangerous" to "Rea Ambassador, said it would be be "highly dangerous" to "Reagan's statements cannot "logical" to assume Peking assume the Chinese would not but make people wonder where would sever diplomatic links if carry through their threat to on earth Reagan wants to lead Mr. Reagan reverted to a "Two severe diplomatic relations. the Sino-U.S. relationship," the

The People's Daily noted that paper added.

Under the heading, "Where U.S. officials in Peking are Mr. Woodcock's public view Mr. Reagan had continued to Chinese criticism of the Does Reagan Intend to Lead taking seriously Chinese threats is privately supported by memadocate what it describes as Republican nominee surfaced in Sino-U.S. Relations?" A over Mr. Reagan's China policy, bers of the embassy's political "official relations" with the middle of the year

# aseno d.

Lease a Fiat Mirafiori over three years before the end of 1980, put down new Mirafiori for acquiring a strikingly individual car, just one month's rental in advance (with 35 monthly only one monthly payment from a seven car range, advance (with 35 monthly rentals to follow) and it will cost you as little as of £97.65 for a 1300CL2-door, excluding VAT

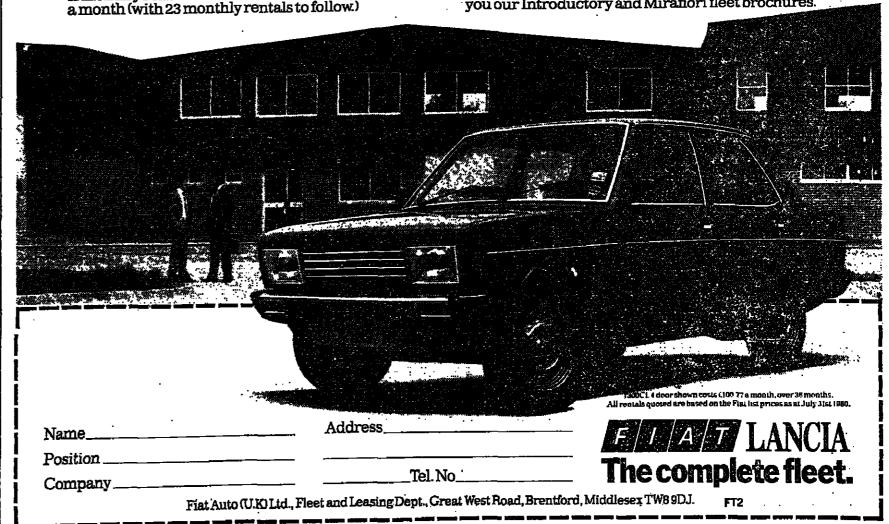
1. Seven more to the point, you'll be acquiring a strikingly individual car, from a seven car range.

2. Only one monthly payment from a seven car range of standard equipment, including an adjustable steering column, a stereo radio and, a speed gearbox for smooth motorway cruising. £97.65 for a 1300CL2-door, excluding VAT a 5 speed gearbox for smooth motorway cruising.

However, included in the price is delivery, number Every Mirafiori also offers proven long term reliability, a 12 month warranty and major service intervals of 12,000 miles.

Finally, if you would rather buy a car outright, plates and one year's road fund licence.
If you would prefer to lease a Mirafiori for 12 or 24 months, rather than 36, we can arrange that too.
Taking the same 1300CL2-door as an example, a

there's never been a better time to buy a Mirafiori. If you return this coupon to us, we will then send you our Introductory and Mirafiori fleet brochures.



(£1.12bn). The Government also

declining and costs are higher.

government are optimistic that

injection on the supply side."

devaluing the inflated cedi.

# Lean times in the land of milk and sardines

slammed in his face. A dozen had been built up. others in the queue drift disconsolately away. "The shop president Limann's Government was selling milk and fish," promised to "flood the market explains a passer-by.

once the staples of Ghana's live within our means," said Mr. import-hungry urban popula- A. E. K. Ashiabor, the Central tion, are practically unobtain- Bank governor. And that is just in Accra, the capital, what Ghana is doing. Emptiness of the shelves is broken only by occasional rusty tins of Bulgarian peaches and British vegetable salad, each costing more than a worker's

month-old Government means has made the already uneviable lot of the 11m Ghanaians even tougher.

are everywhere: hotels cut deficits up to mid-1978, and soap into thin slices to provide despite efforts to narrow the for each room; eight waiters stand in a bar telling customers cent of total spending in 1979. there is no beer; wealthy Ghanainans pay £70 to fly to Lagos to fill their suitcases.

goodwill but empty coffers. The decade of mismanagement and corruption under successive regimes was compounded by the brief reign of the Armed Forces Revolutionary Council, led by Flt.-Lt. Jerry Rawlings.

Flt.-Lt. Rawlings's rule succeeded in undoing the little pro-gress made under the military inflation which reached three ruler he overthrew, General figures in 1978 and 1979, is now Fred Akuffo. When General down again to around 59 per Akuffo faced the firing squad, so did Ghana's slender hopes of economic recovery. In the three months the Revolutionary tic product, which shrank by 10 Council were in power they delighted the people by flogging

angrily on the door just Ghana of the few stocks which the lowest since independence lems."

To boost flagging morale. promised to "flood the market in six months." The message Tinned milk and sardines, now is more dour. "We must

Import licences are issued strictly in relation to available foreign exchange. Quotas are enforced for industry, mining and agriculture, with little left or consumer goods. But so little The stringent policies of foreign exchange is coming in President Hilla Limann's 11- that industry is still working at are under 30 per cent of capacity, slowly restoring international mining desperately needs new confidence in Ghana's economy.

But the Administration's deterture — especially the main mination to live within its foreign exchange earner, cocoa -has declined inexorably.

The Government has no illusions about its plight. Ghana Signs of the economic crisis ran increasingly large budget To meet those deficits, the Ghanainans pay £70 to fly to
Lagos to fill their suitcases.

President Limann's Government came to power in September last year with plenty of

Money supply and credit grew by 300 per cent between the end of 1974 and mid-1978.

balance - of - payments deficit had been geting steadily larger for over a decade. For the three years up to 1979 it averaged \$89m a year. Foreign debt totals more than \$1bn. although servicing this presents no immediate problem as much down again to around 59 per cent a year.

The other significant declines per cent between 1974 and 1978, and cocoa exports, which

them look puny by comparison. not stand any rude shocks. As of a total budget of Cedis 7.3bn President Limann's Administra- a result, the Administration's tion has been criticised for mov- first two budgets have tried to

The Government feels that cent increase in the budget Ghana's problems are so enor- Ghana's crippled economy and



Imported consumer goods are scarce in Acera market: what little foreign exchange comes in is spent on industry. mining and agriculture,

the bureaucracy does its job. doing its best against impossible

odds. "I like to think of myself Nikoi, Minister of Finance and Economic Planning. "I know what we are capable of doing and what we are not capable of market traders who overcharged account for nearly 80 per cent doing . . . it is no good making and blowing up the homes of of foreign exchange earnings. long-term plans until you have

ing too slowly, for lack of balance the conflicting interests co-ordination between ministries, and for the dispirited way banking system while maintaining employment in the 290,000-The Government replies it is strong civil service and feeding money into the neglected productive sectors - especially agriculture.

The result is that the civil service, which swallows some 60 per cent of total government ation, and improved managespending, looks like a giant ment of state-controlled matter of time before it again
social security programme. The
Government's inability to trim to bringing in managerial sardines."

A Ghanaian shopper bangs hoarders. But they emptied Cocoa exports last year were overcome your short-term prob- the civil service contributed knowhow from the private ngrily on the door just Ghana of the few stocks which the lowest since independence lems." significantly towards a 21 per sector or expatriates," said Mr. announced in June. The planned

mous that any efforts to tackle fragile democratic system will deficit is Cedis 1.6bn (£246m), invited a West German company to manage the national wants to protect private-sector foreign airline is being sought to take charge of Ghana jobs, and industry has had to keep paying its workers while Airways.

under rated.

Diplomats say up to \$550m is The President has tried to available to Ghana as a threeyear facility, but big sacrifices would have to be made, including slimming the bureaucracy, ending price controls and There is every chance that concerned about the 150 or so agreement will be reached by soldiers and civilians jailed by the end of the year, officials concede, but Ghana will stand secret trial by out against any immediate Courts." devaluation. "How do you For the time being

The Government has already Black Star shipping line and a

prices are controlled, output is The Government has to tread carefully, partly because it knows that a restless military Given co-operation from the unions, as well as foreign could still cause trouble and assistance, many people in partly because it respects democratic procedures. Ghana's House of Assembly, democratichana's economy will begin to improve in a year or two.
"What we need now is an ally elected and running on a U.S.-style constitution, is an achievement which is perhaps

said the Central Bank governor. Britain has promised a £10m President Limann has the adline of credit from the Export vantage of an 84-seat majority Credits Guarantee Department in the 140-seat House, thanks to to help the timber and mining an agreement between his industries, but much hinges on People's National Party and the agreement being reached with the International Monetary smaller United National Convention. Although he has been criticised for weakness, he took full control of his own party at An agreement with the Fund in mid-1978 became invalid the last party congress, and is because of the Rawlings coup, now undisputed leader of what because of the Rawlings coup, and the Government is anxious is, in theory, the heir to former that any new understanding President Kwame Nkrumah's should "take account of the socialist Convention Peoples present state of the economy."

> right some of the grosser abuses the law by the Rawlings regime. Decisions taken by them were entrenched in the consti-tution and cannot be changed, but legally sensitive Ghana is soldiers and civilians jailed by the Revolutionary Council after " People's

For the time being, though, devalue on the basis of empty the talk in government is all of shelves?" asked the Central the economy. With rich natural Bank governor. But, in return resources of cocoa, timber, gold, for agreement. Ghana could diamonds, manganese and offer a phased reduction in the bauxite, the Administration is civil service over five years, the optimistic that Ghana's medium promise of eventual devalu- and long-term prospects are

# Hard-liner may be new Israeli defence chief

BY DAVID LENNON IN TEL AVIV

Mr. Menahem Begin, is facing more problems with his Cabinet, from which six

past three years. Mr. Ezer Weizman who quit as Defence Minister in May. Mr. Begin is facing the possible loss of two other Ministers.

Prof. Moshe Arens, the hard-

line chairman of the powerful Knesset foreign affairs and defence committee, is now believed to be Mr. Begin's choice for the Defence portfolio. The American-born professor of aeronautics played a key role in the development of Israel's Kfir Mach 2.3 fighter aircraft.

But if his choice is confirmed,

this may lead to the resignation of Mr. Ariel Sharon, who as Agricultural Minister, has been responsible for pushing through the Government's controversial Jewish settlement programme in the occupied West Bank.

Mr. Sharon, regarded as a war hero after he led his troops across the Suez Canal in 1973, claims his long military experience most fits him for the job. He has threatened to resign if the Defence portfolio is given to anyone else.

A further problem for Mr.

of alleged bribery and corruption in the Ministry of Religious Affairs. The investigation is now

deputy on

to Europe

By Alan Mackie in Cairo

EGYPT'S Vice-President, Dr. Hosni Mubarak, starts a Euro-

pean tour today, to brief leaders

on Egypt's reasons for halting

His two-week trip will take

metro and has been active in

telecommunications projects in

mission

agaid.

Air Show.

ISRAEL'S PRIME MINISTER, who has denied all impropriety, but says he will resign if any evidence is found against him. Meanwhile, Israel's troubles ministers have resigned in the over the recent law proclaiming all Jerusalem as its capital contime. Colombia has become the While he appears to have time. Colombia has become the finally found a replacement for tenth country to amounce it is tenth country to amounce it is moving its embassy from Jerusalem to Tel Aviv in protest, leaving only three embassies

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still in the capital. In addition, Switzerland has refused to sign an agreement on pension rights with Israel in Jerusalem, because of the "the known reasons of international law," a Swiss government official has announced. Israel views this move as particularly serious, because it challenges not only Israel's annexation of Arab East Jerusalem, but also the status of Jewish West Jerusalem as the seat of Israel's Government. Reuter adds from Beirut:

Israeli planes and patrol boats attacked Palestinian positions in renewed raids on South Lebanon on Wednesday night, an official of the UN peacekeeping force said yesterday. Israeli helicopters and planes dropped about 60 flares over the coastal town of Tyre and fired rockets at unknown targets inland, the official added. He also claimed a patrol boat fired A further problem for Mr. four rounds at Rashidiyeh, Begin is the police investigation south of Tyre, where a big of alleged bribery and corrup- Palestinian refugee camp is located. The Joint Palestinian-Leftist forces in the South said focusing on the Minister him-the Israeli fire was returne self, Mr. Aharon Abuhatzeira, No casualties were reported. the Israeli fire was returned.

# Mugabe woos foreign investors

Mr. Robert Mugabe, yesterday talks was really being deter- have him and I would rather launched in Britain a bid to mined. attract foreign investors to

working lunch with Lord Car- auspices. However, these hopes rington, the British Foreign have now been dashed and the from Saudi Arabia.

campaign earlier in the week in sion to the Lomé Convention. the U.S. There, he managed to Britain has promised Salispersuade the Administration to bury £75m aid over the next Hong Kong prices reconsider its commitment of three years. "working towards a figure of \$150m.

ago. Lord months Carrington had expressed ex- former head of armed forces treme disappointment at the in Salisbury. level of aid offered to Zimbabwe by Britain's friends and allies, there was still a place for the He pointed out that it was in General in Zimbabwe he said: this period that the success or "No, categorically none at all its level of a year ago.

**ENERGY REVIEW: MALAYSIA** 

At the time, Zimbabwe was Rhodesia and increase Western hoping that a donor conference aid. He raised these matters at a perhaps under World Bank Secretary who had just returned next main development expected is when Zimbabwe nego-Mr. Mugabe had started his tiates with the EEC its acces-

> began as his visit to Washington had ended, with him publicly criticising Gen. Peter Walls, the

ZIMBABWE'S Prime Minister. failure of the Lancaster House for a man like that. I wouldn't he left Zimbabwe as soon as

> Asked what measures he would take, he said: "We will take every possible step. That is all I can say." Gen. Walls is shortly due in Britain for a twomonth holiday.

#### Consumer prices in Hong Kong

rose by 3 per cent in July, Philip Bowring reports from Hong Kong. The Government bitter territorial quarrel that placed the main blame on the Somalia has claimed Ethiopian impact of "typhoon Joe" on troops crossed the border. No Asked at Heathrow whether food fish and vegetable prices, independent corroboration of ing still running several feet to be financed by a net inflow The July rise left the consumer prices index 16.4 per cent above | immediately available.

#### Ethiopia denies 'invasion'

NAIROBI-Ethiopia yesterday denied that its troops had invaded Somalia and said the accelerate U.S. arms deliveries affected nearly 20m people. to the Mogadishu Government. The official Somali news agency Sonna yesterday said its army had repulsed an invasion

and shooting down one Sovietmade MiG-21 fighter-bomber.] The charge and counter thousands of people who had establishment of a nuclear charge are the latest exchange taken shelter over them have power generating plant. in the long-standing conflict been asked to move elsewhere Ogađen region.

This is the first time in the

lifting 300,000 barrels of oil

each day. Mr. Rastam feels it may be posible to use as much as 80 per cent of this associated

gas. One example of ways to

save the wasted gas is an agree-ment signed recently between

Government to supply 60m cu ft

of gas to Labuan Island to feed

Foreign oil companies have

ad to reduce oil production for

the sake of gas conservation: oil

output has been cut from 300,000 barrels at the end of last

year to 280,000 barrels in recent

weeks. It could fall further to

around 250,000 barrels, but Mr.

Rastam points out that oil

revenues will actually be higher

since prices have risen sharply.

This tough conservation policy

is naturally not popular with

Shell and Esso, the two com-

panies currently producing in

Malaysia. They have to slow

down their investment pro-

grammes considerably to accom-

But what is even more dis-

turbing to them was last April's sudden imposition of a 25 per

Under the production-sharing

41 per cent of the oil produced.

by way of 20 per cent as cost

modate Malaysian interests.

cent tax on "profit oil."

a sponge iron plant.

# Bangladesh floods worsen

BY OUR DACGA CORRESPONDENT

story had been fabricated to a toll of about 350 lives and supply.

which so far escaped the ravages of flood that began in long official visit to Paris the northern areas more than of north-west Somalia by two weeks ago, is faced with one a nucleonism ground and air of the worst floods in its history, ment. forces, inflicting heavy losses Two flood protection embank. According to the control of the worst floods in its history. two weeks ago, is faced with one a nuclear cooperation agreements are threatened under the pressure of flood waters and immediately. It the two embankcity's seriously affected.

As water levels in about a dozen districts are slowly recedflooded. Disease has broken out. about 4bn.

BY WONG SULONG, KUALA LUMPUR CORRESPONDENT

reimbursement plus 21 per cent

This 21 per cent is considered

Esso say a clause in their agree-

ments specifically prohibits any

NEARLY HALF of Bangladesh flood waters have contaminated is now in the grip of flood water tanks and wells and pure waters which have so far taken drinking water is in short

In another development. The capital city of Dacca, Bangladesh President Ziaur which so far escaped the Rahman will pay a brief day-While in Paris, Zia will sign

According to a report. Zia is likely to ask the French president to provide \$400m for the

The total development outlay of the second five year plan ments give in, over 1m of the launched last month is \$16.5bn and includes nearly \$13bn for requirements.

The \$13bn in investment is the alleged invasion was above the dauger level—new of external assistance of nearly immediately available. areas alsowhere are being 9bn and domestic savings of

#### him first to West Germany, then to France, where he is expected to discuss bilateral relations. France recently agreed to pro-vide funds to build a Cairo

Egypt. In the UK, his next port of call, he will have discussions with Mrs. Margaret Thatcher, the Prime Minister, and top Foreign Office officials, as well as atending the Farnborough

The UK, with France, has been keen to sell arms to Egypt, but the most promising vehicle for this, the Arab Organisation for Industrialisation, which would have set up an indigenous Egyptian arms industry, was dis-banded with the Arab boycott of Egypt last year.

Westland's case for compensation for a helicopter assembly plant it was building for the AOI is likely to be brought up. Dr. Mubarak will then visit Italy, the Vatican, Austria and Romania.

the U.S. special envoy, leaves here today for the Middle East in a last effort to revive the stalled negotiations Palestinian autonomy this year. plant.

#### Sadat sends | Jordan's **Prime Minister** resigns Dr. Qassem Al-Rimawi, Jordan's

Prime Minister, yesterday submitted his resignation. His successor is Mr. Modar Badran. a former Prime Minister who resigned last December, Rami the Palestinian autonomy talks, and to discuss future moves to get the peace process moving Khonri reports from Amman. Dr. Rimawi, 60, formed his government after the sudden death of his predecessor Mr. Sharif Abdel-Hamid Sharaf, on July 3. No reason was given for Dr. Rimawi's resignation.

#### Rebels 'to surrender'

Sccessionist rebels on the South Pacific island of Espiritu Santo are expected to surrender today. an official of the Vanuatu Government said Reuter reports from Port Vila. Their position is hopeless and we've got most of them any-way," the official added.

#### Japan economy move

The Japanese Government is to adopt new measures next week to boost the economy, which as been showing signs of slowing down. Reuter reports from Tokyo. The cabinet council on the economy will meet on September 5, to decide what should go into the package, the Economic Planning Agency said yesterday.

Mr. Rokusuke Tanaka, minister for international trade and industry, said the Cabinet Council would push for early conclusion of public works contracts, and provide increased finance for housing and promotion of exports of industrial

# Careful heirs to a gas bonanza

BRITISH oilmen are drilling half a dozen confirmation wells in the calm waters of the South ment signed last year, the British National Oil Corporation (BNOC) will provide technical help to Petronas, the Malaysian oil company, to evaluate and exploit a natural gas find at Duyong, 140 miles off the coast of Trengganu in the north-east of Malaysia. This willingness of the

Malaysians to learn from BNOC is a reflection of the growing confidence of the men at Petronas. When the Malaysian oil company was set up six years ago, Malaysians knew very little about oil but were unwilling to admit it. they know more and say they still have plenty to learn. try in terms of resources. In the

past two decades, its economy tent that its traditional strengths —rizbber and tin—now account for less than 30 per cent of its exports, compared with 80 per cent in 1960. Apart from rubher and tin, the country now has resources of palm oil, timber, an expanding manufacturing sector and lastly oil and natural gas. (For the first time, oil this year will become the nation's top export.)

The discovery of oil and gas could not have been better timed. Finds were made in the early 1970s, and exploitation did not get under way until after 1976 by which time oil prices had soared. The growing oil revenues are panticularly useful at a time when Malaysia feels the need to sustain economic growth at a time of sion, and to beef up its armed forces against an external Communist threat.

Malaysia's oil production and reserves are small by the standards of the Organisation of Petroleum Exporting Countries -one reason why it has not appiled to join OPEC. But its natural gas recrues are among the biggest in the world. Malaysia can expect to emerge as a leading exporter of liquefied



natural gas (LNG) within the few months ago, Petronas next few years.

Petronas officials are reluctant to discuss the size of the country's oil and gas reserves, largely because it is determined national charity organisation, and experience the sort of prob-Pertamina a few years ago.

For a long time, oil reserves were officially put at 1bn barrels until March when this figure was quietly revised upwards to

23 trillion cubic feet — 9.7 trillion cubic feet in proven reserves, and 14.4 trillion cubic feet in probable reserves.

able to supply Japan with 6m tonnes of LNG annually for 20 years starting in 1983, with plenty left over to feed several major gas-dependent industries

not to be regarded as a sort of iems of Indonesia's oil company,

1.4bn barrels. Most foreign oilstill conservative. The non-associated natural gas reserves found by Shell in Central Luconia, off the coast, have been officially put at more than

The Luconia gas field will be

The Luconia fields are dwarfed by the fields discovered by Esso off Trengganu. The

exact size of the Esso find has

officials did not even admit to its existence. But Dr. Mahathir Minister, has estimated it to be one-and-a-half to two times larger than the Luconia

Growing self assurance, and the knowledge that it is heir to a huge financial bonanza, has not given Petronas grandiose dreams. The people running the organisation are former civil servants, noted for financial prudence, and are without political ambitions.

As Petronas has become more wealthy and influential, it has also grown more conservative. Its policy is to mind its own business, which is in oil and gas, and to stretch these resources for as long as possible, while accommodating the understandable desire of foreign oil companies to recover their investments in

the shortest possible time. Recently, the Cabinet gave its backing to Petronas' thinking by adopting a national oil depletion policy.

According to Mr. Rastam Hadi, Petronas' managing director, an average of 200m cu ft of associated gas-equiva-

lent to 40.000 barrels of oil-

Malaysian authorities to recensider the tax. If this fails, they may seek redress through the Malaysia argues that the oil companies cannot expect to win

both ways. They had gained tremendously by the increase in price had risen from U.S.\$12 a barrel in 1976 to U.S.\$38 they are selling Middle East oil to Malaysia at full price. Although Petronas is cash-

laden (it made a profit of U.S.\$356m last year), it will have to spend heavily in the coming years. It is already involved with

Shell and Mitsubishi in a company called Malaysia LNG. which is building a U.S.\$1bn plant to process and export LNG from Luconia to Japan. Petronas owns 65 per cent of Malaysia LNG, and Shell and Mitsubishi hold 17.5 per cent

Petronas plans to build two refineries at the cost of U.S.\$300m-\$400m in order to its dependence foreign oil companies and to participate in downstream petrochemical activities.

Another project urea plant J.S.\$150m Bintulu, using the Luconia gas. The urea project has been " industrial complemention South-East Asian Nations (ASEAN).

After more than three years since the production-sharing agreements of 1976, Petronas is ready to negotiate with the oil for exploration. Last May, it agreements signed in 1976, Shell signed an agreement with field, the gas from there will be and Esso can keep as much as British Petroleum and Oceanic piped to the mainland to feed to explore a 6,000 square mile

Mr. Rastam says Petronas would be signing more such agreements in due course, and adds the areas on offer would be "promising." Assuming no new oil dis-

changes affecting their earnings coveries are made, and given current output, Malaysian oil reserves would be depleted by the early 1990's. Petronas therefore sees its future in the enormous reserves of still untapped natural gas. As a future LNG exporter, it is interested in the progress

of existing LNG producers— Indonesia, Mexico and Algeria

-in their attempts to achieve

parity between gas and oil Malaysia has largely found narkets for its Luconia gas, but it is too early to speculate how it would use the gas off Trengganu. For one thing, it is in no hurry to lift the gas, and a detailed study into the extent of the Trengganu fields

has yet to be done. But one thing is certain: Malaysian whether exported or sold locally, will not be cheap. It will be sold at prevailing market prices, with perhaps minor adjustments depending on geographi-cal and logistic factors. That is why aluminium companies, which announced plans to set up smelters in Malaysia a few years ago, are now showing little obvious interest.

Malaysia's energy needs are assured well into the 21st century, but the fuel mix is likely to shift significantly by the 1990s. At present, the country designated as one of the five is 80 per cent dependent on oil for its energy needs. There are projects" of the Association of plans to harness the tremendous hydro resources in Sarawak to generate electricity. And as natural gas is available, after 1983, more power stations will

be gas fired. If present drilling at Duyone majors on opening up new areas by BNOC confirms Petronas' expectations of the Trengganu a 450 megawatt power plant being planned at Paka.

#### David Buchan adds from Washington: Mr. Sol Linowitz, for

S. Africa record industry

heads for best-ever year BY JIM JONES IN JOHANNESBURG

SOUTH AFRICA's record industry is heading for its best year while record producers elsewhere are bemoaning falling

The industry estimates that sales this year are likely to reach R60m (£33m) and should continue to grow well into 1981. However, the country's Com-petition Board has announced an investigation into monopoly allegations.

These have been building up for months, the major manufacturers, who are members of the Gramophone Record Manufacturers Association (GRMA), sought ways to overcome poten tial sales losses because of an increase in the level of home taping.
The industry estimates that

home tape-recordings of records costs the industry an annual R25m (£14m) in salesand that excludes pirating of recordings for sale. As it is, however, about 10m

blank tapes are sold in South Africa every year compared with about 5m long-playing records priced at an average R10 per disc. Mr. Clive Kelly, chairman of the GRMA, claims that at that

price, record manufacturers are left with a mere 2.7 per cent net profit. Records cost about R2 each to manufacture with another 40c

and marketing absorb a further 17 per cent, while tax and excise duty take 11.5 per cent Taking the battle into the home recorders' camp, the in-

cord libraries. That was one move in the battle aimed at getting the libraries to pay a royalty on every record they lend.

dustry recently decided to

sales to commercial re-

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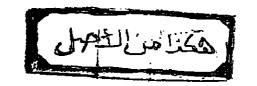
not been disclosed. Up to a is being flared in the course of

22 Davies Street for the sleeve. But on figures calculated by EMI (the coun-London, WI Tel: 01-629 3061 try's largest blank tape pro-

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#### UK groups urged to stay active in Iran

BRITISH BUSINESSMEN involved in trade with Iran have been encouraged by the Government to keep active in the market in spite of sanctions and the political problems affacting affecting relations between Iran and the West.

Even with the imposition of sanctions, designed to exert pressure for the release of the U.S. hostages, Iran was expected to be the second or third most important market for Britain in the Middle East this year, Mr. Owen Kemmis, an assistant secretary at the Department of Trade, told a London Chamber of Com-

merce gathering.
Mr. Kemmis, though conscious of the dilemma of supporting the U.S. and looking after British trade interests. advised British businessmen to watch political develop-ments closely, observe the sanctions and maintain interest in Iran as a market for

the future. British exports to Iran in the first six months of this year, totalled £210m, almost equal to the figure for the whole of 1979, but still well below the level of £751m recorded for 1978. Exports fell slightly in July, but Mr. Kemmis said it was difficult to relate directly sanctions which took effect on May 30 to this figure.
More than 100 businessmen

including some Iranians, attended the meeting, representing banks, engineering companies, consultants and shipping companies - proof perhaps of Mr. Kemmis' own statement that British companies were well entrenched in the vehicle, machinery, pharmaceutical and chemical sectors in Iran.

The scope of sanctions against Iran relates mainly to new contracts which cannot be considered a "modification, amplification or extension of existing contracts" or are not in the "established course of business dealing." Among exemptions are food-stuffs and medicines.

Mr. Kemmis explained that the Government's methods of monitoring sanctions had not so far disclosed any attempt to break them.

He said it was difficult to tell whether sanction breaking contracts were being diverted through ports in the

Other points made were: Financing of exports was now working well after some confusion immediately after started Iranian banks wanted to see export licences" (which are not part of the British system) before they would open letters of credit.

now good, the great majority of debts referred to the period before the revolution in February 1979. Carriers were reluctant to accept goods on an f.o.b. basis

because of difficulties in otherwise being paid in hard

#### **ECGD** cover for ALIA loan

THE Exports Credits Guarantee Department has guaranteed the repayment and funding of a \$70m (£29.4m) loan which Lazard Brothers, acting on behalf of a syndicate of banks, has made available to ALIA—the Royal Jordanian Airline.

The loan will help finance contract awarded to Rolls-Royce for the supply of RB2II-524 aero engines, spares and support equipment to power five Lockheed L1011-500 TriStar aircraft ordered by ALIA.

# Canada may gain coal deals from Australia strike

BY PATRICIA NEWBY IN CANBERRA

AUSTRALIA has lost a number have developed into a long-term Japanese officials in Australia and the 4,500 miners are estiof long-term coal contracts deal had Utah been able to have confirmed that Japan is mated to be losing about commit themselves to contracts the average extra fax of A\$6
because of the strike of Queensdeliver. He said the buyer buying coal on the spot marA\$1.5m a week. tion has been halted say that the implications could last damagingly longer.

Development, Australia's bigenbass gest coal mining company, said strike. That the country's reputation as a stable source of coal supply might develop coal projects continues much longer.

was being damaged by the elsewhere, such as Canada, as trike which affects more than part of a diversification promate that so far 5m tonnes of half of Australia's coal output.

gramme. Currently about 40 coal has been lost because of

ceived a letter of intent for coal Egyptian contract which could coal.

because of the strike of Queens- deliver. He said the buyer buying coal on the spot mar-land miners which has been would look elsewhere if Utah ket partly because of the loss going on for eight weeks. Min-ing companies whose produc-The biggest customer for strike. Stockpiles held by the Queensland coal produced by mining companies in Australia Utah, Broken Hill Proprietary, and by the Japanese Steel Mills CRA and Theiss are the have mitigated the effects of Mr. Gillespie Robertson, Japanese Steel Mills which have the strike, but most observers marketing manager for Utah Development, Australia's big-gest coal mining company, said the strike of the Australian believe there is not enough coking coal of the quality regest coal mining company, said strike. The Japanese hinted that they on the spot market if the strike

He said that Utah had reveived a letter of intent for coal comes from Australia; ideally, losses at roughly A\$100m courchases from India, but had Australia would supply a third, (£49m). The Federal and Australia would supply a third, (£49m). purchases from India, but had Australia would supply a third, (£49m). The Federal and been unable to deliver the coal. Canada a third and the rest of Queensland State Governments He also cited a short-term the world a third of Japan's are estimated to be losing around A\$8.5m a week in taxes

Canadian coal is generally more expensive to extract than Australian Coal, but mining and trade officials say it is possible that the Japanese will be prepared to pay a premium for diversity and that the Australian strike may tip the balance in favour of some British Columbian projects.

jeopardy as there are expected income tax laws the Governto be plenty of buyers for coal for power generation in the 1980s. But all mining com-panies are having difficulty achieving the long-term contracts they need to secure new projects and they fear the

industrial relations record.

renewed. The Queensland It is the principle of taxation strike is over a federal govern- on subsidised housing to which

Australia's future as a The miners rent houses at \$A100,000 a week to the strike major coal exporter is not in around A\$5 a week. Under fund. ment considers the difference locked as Mr. John Howard, the between the A\$5 and the Treasurer, has said the Governmarket rental for the houses to ment cannot exempt the miners be income and wants to tax it from the tax or it would open a accordingly.

In a compromise the Govern-

The companies say that average of \$A25,000 a year, or Canadian strikes are more roughly twice the average predictable, usually occurring weekly earnings in Australia, over wages when contracts are say the money is not the point renewed. The Queensland It is the principle of taxation ment proposal to tax miners on the subsidised houses they rent lot of support from other unions, which have contributed up to

> floodgate of tax avoidance through employers providing

projects and they fear the ment has assessed the market their employees with subsidised strike will delay development rental of the houses at A\$16 housing.

#### **Filipinos** to build Iraq road MANILA — The Construction

and Development Corporation (CDCP) of the Philippines has signed a \$285m (£120m) contract with Iraq to construct a portion of an expressway linking that mideast country to Syria and Kuwait.

Mr. Rodolfo Cuenca, the company president, told a news conference the contract. signed in Baghdad last week. calls for CDCP to construct the Baghdad-Basrah Axis, a 140-kilometre, six-lane, asphalt segment of the proposed 1,200-kilometre-long. Iraq express-

He gave no completion target dates but said construction would begin after procedures on travel to Iraq by about 1,700 Filipino workers have been set. The Philippine National Bank is putting up \$40m in guarantees.

Chiyoda Chemical Engineering and Construction and Mitsui have signed a \$100m (£42m) contract to supply a purified terephthalic acid (PTA) plant to China American Petrochemical of Taiwan. China American Petrochemical Co. is owned equally by Amoco of the U.S. and a Taiwanese company.

The plant is to have an annual production capacity of 150,000 tons of PTA and will be built by the end of 1982. PTA is a material for making polyester

# Ford hopes for larger Toyota car venture

BY RICHARD C. HANSON IN TOKYO

FORD MOTOR Company has a joint production venture ports that Ford's reaction to tative agreement, apparently suggested that any should aim at around 40,000 the idea had been negative. In Toyata claims possible U.S. joint venture to 50,000 cars a month. Toyota is the interview, the Ford chair-serious in proposition of the company has a joint production venture ports that Ford's reaction to tative agreement. scale than the Japanese were third that volume. originally proposing.

In the latest burst of smoke public courtship between the but that it also did not have any two giant car makers, Ford set timeframe for any agree-chairman, Mr. Philip Caldwell, ment. told a Japanese newspaper that

W. German

Arab trade

By Kevin Done in Frankfurt

THE RISING COST of oil

imports from the Arab coun-

tries pushed West German

trade with the Arab world into a deficit of DM 4.2bn (£1bn) in the first six months of 1980.

In the corresponding period

last year German exporters

were able to achieve a modest surplus of DM 269m, but in

the intervening period the dramatic surge in oil prices has

pushed the trade balance with

the Arab countries firmly into

tries rose by 82.7 per cent

rise of 19.7 per cent in total

still

German exporters

achieved a respectable 10.7 m

cent nominal rise in their exports to Arab countries to

DM 9.2bn, but this performance was overwhelmed by the higher

The value of imports from

West Germany has made some small progress in reducing its dependence on Arab oil and the

volume of Arab crude imports

1979. The Arab countries thus

accounted for some 55.5 per cent of total German crude imports against 56.6 per cent a

Saudi Arabia is still the single

the UK (14.5 per cent and 7.3m

cost of crude oil imports.

German trade.

88.7 per cent.

year earlier.

deficit in

produce cars with Toyota Motor should be on a much larger with Ford to build roughly one- to a joint venture between the defuse the outcry in the U.S. Mr. Caldwell told a Nihon problem. Keizai Shimbun reporter that his

two companies might not be a

Toyota Motor had little surrounding the unusually the Japanese proposal outright, saying that Mr. Caldwell means of proceeding with the public courtship between the but that it also did not have any sounded rather "positive" very risky business of entering sounded rather "positive" about the idea. The two sides, however, appear to be a long

over Japanese car imports.

The main attraction of a joint venture to Toyota is probably large-scale car production in the U.S. The benefits for Ford are

#### A-310 parts order signed

BRITISH AEROSPACE and Hawker de Havilland Australia have signed a contract in Sydney Toyata claims that is was for the manufacture in Australia serious in proposing the matter, of components for the A-310

Airbus wide-body airliner. The contract covers 150 aircraft sets of wing in-spar ribs alued at about £3m. "Australia has already been
Deliveries of these compo- offered a variety of articipation valued at about £3m. nents will commence in mid-

The contract covers all exist- technologies. They include ing orders and options for this titanium fabrication and forging version of the Airbus and so and manufacture to advanced places Australia in a highly composite structures," competitive position for further Kingsford-Smith said.

chairman of Hawker de Havilland, said the contract was the beginning of an important relationship for Hawker de Havilland with British Aerospace.

opportunities covering a range manufacturing They include advanced

# There had been earlier re- way from reaching even a ten- somewhat less apparent. DOES YOUR SOFTWARE GO UPIN SMOKE WHEN YOU CHANGE YOUR COMPUTER?



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# World crude output falls in first half

for oil has been underlined by new figures indicating that worldwide crude production fell during the first six mouths of this year compared to the same period of 1979.

According to Oil and Gas Journal, the U.S. weekly magazine, worldwide production in the first six months of 1980 averaged 61.4m b/d, compared to 61.8m b/d during the same period of 1979. It estimates that this was the first time that January-June output had fallen since 1975

The lower production reflects a sharp drop in the demand for oil products which has led to a substantial supply surplus, cur-rently estimated at between 2m and 3m b/d. This is, in turn, putting pressure on nations belonging to the Organisation of Petroleum Exporting Countries to cut production or shave their

prices.
Oil and Gas Journal estimates
OPEC's first half production to
have been 28.5m b/d, some 5.5 per cent less than during the same period of 1979. Saudi Arabia and Iraq were the only OPEC members with higher

production levels. However, declining OPEC production was offset to some extent by production increases from September 1 of up to \$2 Communist countries, the a barrel.

FALLING international demand U.S., the North Sea and Mexico. Production from the UK and Norwegian North Sea increased 13.4 per cent compared to 1979 to reach nearly 2.15m b/d. Communist production estimated to be up 2.9 per cent to 14.5m b/d, with 11.9m b/d coming from the Soviet Union.

The crude surplus has helped Saudi Arabia, OPEC's largest cil exporter to regain its

oil exporter, to regain its pivotal role in the pricing/ production equation.

The Kingdom has been maintaining its production at 9.5m b/d—lm b/d more than its preferred calling—and bearing its ferred ceiling—and keeping its price down to \$28 a barrel in an attempt to ensure adherence to the unified OPEC price system worked out at June's

Algiers summit. Saudi Arabia is widely expected to reduce production to 8.5m b/d once it is sure that the price system is sticking, but the timing of such a move remains unclear.

Meanwhile, the supply glut has led to occasional trimming of the premiums demanded by OPEC members above their official selling prices. Iraq has shaved the premiums on at least part of its production, while Indonesia has announced cuts

Slim hope

of saving

steel men

THE FATE of the British Steel Corporation's Consett

changed today by the first meeting between union

leaders and Mr. Ian MacGregor, BSC chairman,

The future of Consett is at

the top of the union officials' agenda for their first meeting

with Mr. MacGregor since he became chairman in July. But

he appears to have accepted

BSC is faced by a surplus billet capacity of im tonnes. This will mean the loss of 3,700 jobs and leave the Consett area with one of the worst unemployment rates in

Mr. MacGregor will be

anxious to turn union leaders' attention to the

future of BSC at a time when

the recession is reducing the steel market dramatically. He will urge the unions to consider their own role in

improving the economic base of the corporation, which could lead to a discussion of

Mr. MacGregor will be soon presenting a review of BSC's position, with proposals for arresting its huge losses, to Sir Keith Joseph, the Industry Secretary. While he will not movel his plans at reday's meeting he is

today's meeting, he is

since he became

writes Alan Pike.

the country.

productivity.

due to close next is unlikely to be

jobs of

By Hazel Duffy, Industrial Correspondent

FALLING profitability in industry has become a common feature in several countries over the past decade, according to figures published in the official magazine British

omerai magazine british Business today.

The rate of decline in German profitability appears to have been at least as great as in the UK, although the fall has been from a much higher level. The U.S. and Canada also show signs of a Canada also show signs of a declining trend, while Sweden and Norway have both fallen below the UK in the past five years in the profit share of their industry plus transport.

The study which forms the basis of the international comparisons was done by Professor T. P. Hill of the University of East Anglia, for the OECD, and used in a paper submitted by the Industry Secretary to the National Economic Development Council last year. These have since heen updated by Professor Hill. As with all international

comparisons, however, some caution has to be exercised before drawing definitive con-

Two bases of comparison are used in the study—(1) profit shares, defined as net operating surplus as percentage net value added; (2) net rate of return, defined as net operating surplus as percentage net capital stock of fixed assets. The general picture that emerges is of declining trends in profit shares and more marked declines in rates

bottom of the range on all comparisons except for profit manufacturing industry, in terms of which the UK occupied a medium position until recent years. But Germany has suffered as much decline as the UK in manufacturing industry, al-though from higher levels, and in all industry and transport Germany shows a much sharper decline than the UK.

In 1980-62, for instance, the profit share average for Gerwas 32 per cent, which had declined to 23 per cent in 1976-78. The UK started with the much lower figure of 23 per cent, but this had fallen less steeply to 17 per cent in 1976-78. The figure for Norway at the end of the period was 14 per cent, and for Sweden 7 per cent.

#### Santish offices AVOTSORS 'should close'

THE GOVERNMENT faces an embarrassing decision followin a report from a committee of MPs yesterday which recommends that the Scottish Development Agency should be deprived of its responsibility for seeking industrial investment from abroad. The report from the Select

Committee on Scottish Affairs, as expected, suggests that the Agency's overseas offices should be shut and their functions passed on to the existing consular system. The report claims the agency's record of attracting investment has been poor but

portant role for it at home.

**Rolls-Royce** 

until earlier this year was the

chairman of the airline, told

RB-21 was different from com-

the first airline to operate a

Improved fuel efficiency and

an extra 2,000 miles of range-

fiscal year, the bank had pro-

vided finance for 128 com-

and McDonnel Douglas.

747 nine years ago.

4.000 miles.

praised for

economy

By Lynton McLain

# Shrinking Recession forces 8.4% fall Luton to in energy consumption

BY MARTIN DICKSON, ENERGY CORRESPONDENT

BRITAIN USED 8.4 per cent less energy in the first half of this year than it did in the same period of 1979 — as a result of the recession, higher fuel prices, and conservation

Demand for all fuels was hit, but the most significant change was in the consumption of oil products, which fell by 15.4 per cent, according to the latest issue of Energy Trends, the Department of Energy's monthly statistical bulletin.

This was partly due to a major switch to coal burning at power stations, where consumption of fuel oil fell 41 per cent in the January-June period compared with 1979.

By the second quarter of this year, however, demand for all oil products apart from aviation fuel was below 1979 levels. This even included petrol, which until then had bucked the general downward trend. Second

price increases.

Energy Trends estimates that the UK's total primary energy consumption in the first six months of 1980 was 174.6m tonnes of coal equivalent, com-pared with 190.6m tonnes in the same period of 1979.

The decline continued throughout the period: in the April-June quarter, consumption was down 9.9 per cent, with oil use falling by 15 per cent, coal by 6.1 per cent and natural gas by 6.9 per cent.

The Department pins much of this on the recession, pointing out that during the second quarter the all-industries index of industrial production was about 6.5 per cent down on last

The electricity supply industry year.

quarter petrol deliveries were provided 6.8 per cent less power down 0.6 per cent, suggesting in the first half of the year than that motorists were at last in 1979, but second quarter beginning to react to sharp price increases.

In the control of the co June supplies were down 5.2 per cent on the previous year.

Lower than expected electricity demand has hit the supply industry's profits, and is having a serious knock-on effect on the coal industry. Power station consumption of coal fell by 2.1 per cent in 1979 between April and June—in spite of the switch from oil burning.

The nation's overall coal consumption was down 3.5 per cent in the three months between May and July, partly because of the recession in the steel in-

By the end of July, coal stocks stood at 32.9m tonnes, an increase of more than 1m tonnes during the month and over 5m tonnes more than in July last

# Ford joins Nigerian truck deal

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

tumnoil in the Nigerian truck industry will be increased as a result of a deal which will in-volve Ford supplying from the UK up to 2,000 trucks a year vorth £15m for local assembly

by Steyr-Nigeria.

The trucks, 12-ton D-series vehicles using Ford's 6.2 litre diesel engine, will be assembled from completely knocked down kits at Steyr's plant at Bauchi in the north of Nigeria.

Ford previously exported truck kits to Nigeria, but shipments ended some years ago. The kits will be sent from the Langley plant in the UK, where last year some 41,800 D-series trucks were made, including opening has 15,356 in kit form and a further several times. 7,661 for export fully built up. Steyr-Nigeria was set up in

Government-approved truck assemblers which were all protection from oromised imports as the infant manufacturing industry developed. All four have a majority of Nigerian shareholders, including Government stakes.

The first to move into production was Leyland Nigeria, with its plant at Ibadan, near Lagos. Steyr-Nigeria, for which Steyr Daimler Puch of Austria supplies the technology, began operations a year ago.

A Flat-managed

Nigerian Truck Manufacturers, has completed a plant at Kano in the north but the formal has been delayed times. The fourth group, in which Daimler-Benz trucks and the new T4 of West Germany is involved, as well as Land-Rovers.

THE ALREADY considerable 1976 as one of four Nigerian will operate from Enugu in the turmoil in the Nigerian truck Government-approved truck East but the plant is still not completed

The Nigerian truck makers' problems stem partly from the current slack demand and partly from the fact that Bedford trucks (supplied from General Motors subsidiary in Britain) escaped the ban on imports imposed to protect the new manufacturers.

Bedfords hold around 20 per cent of the market. They are assembled from kits at a plant at Apapa, set up in 1959 and operated by UAC of Nigeria. Nigeria was the major export market for Leyland Vehicles, BL's bus and truck subsidiary Leyland's new plant is ticking over and turning out the WF trucks and the new T43 range

#### BR investment level 'falls behind'

BY LYNTON McLAIN

BRITISH RAIL is falling behind Transit Systems suggests that greater.

other European railways in the railways are reasserting them—

Many level of investment in new track selves as practical and economic and rolling stock. Figures published yesterday

show that the total investment fuel crisis. in railways outside the Com- But Britain was falling munist bloc was expected to behind other nations in new reach £13.3bn this year. The new edition of Jane's

options for fast, efficient transport, in the face of the world But Britain was falling

investment. Belgium has a rail network less than a quarter of Railways and Rapid BR's size, but the investment is

Many countries have pushed ahead with electrification schemes, but Britain has no plans beyond the current £100m project to electrify the lines between London and Bedford. Jane's World Railways and Rapid Transit Systems 1980-81, price £40, 238 City Road, London ECIV 2PU.

# spend £2m at local car plants

By Maurice Samuelson

CONSERVATIVE - controlled Luton borough council in Bedfordshire is expected to spend more than £2m on Vauxhall and Talbot vehicles which are produced locally even though this could conflict with the Government's drive to cut local authority spending.

The money will be spent at Vauxhall, where some workers are on a two-day week, and at Talbot's Dodge Trucks plant, which will start a three- and four-day week at the etnd of September.

In addition, the council's 80 staff have eben offered higher loans to buy new cars — pro vided they buy Vauxhalls.

The council has agreed to spend £1½m immediately. Part of this will come from its 1981-82 budget. Further purchasing plans are likely to take the total to more than £2m. The decision was greeted cautiously by the local rate-payers' association, which is worried it will mean further

rate increases. However, the council says that most of the extra money will come from Luton airport's revenue, which last year showed

a £2m pre-tax profit. Many of the vehicles such as buses and snow-clearers, will be purchased for the airport. The council will also buy vans and park vehicles to be used in

Luton itself. Some 35,000 people in a fivemile radius of Luton are dependent on the motor industry.
Vauxhall employs 25.000 at
Luton and nearby Dunstable.
The sums to be spent are not
large in terms of Vauxhall or Dodge Truck sales. However, the council said that it hoped that

example. The council has increased the maximum loan to buy new cars from £2,500 to £5,000 and reduced the interest from 12 per cent to 10 per cent. Until now, the council has not

other local authorities and busi-

nesses in the area would copy its

deliberately favoured Vauxhall or Dodge but has bought its vehicles on the basis of the lowest possible tender. A more direct challenge to the Government's spending curbs came yesterday from Labour-controlled Wakefield Metropolitan District Council which announced plans to spend an 120 permanent jobs.

Jenkin says proposals on manual classes' health are 'unrealistic'

# Private house building drops

BY MICHAEL CASSELL

An inquiry conducted among private housing contractors confirms the pattern of weakening confidence affecting the industry. At the time of the last inquiry in March, builders thought they might manage to start 130,000 homes in the private sector dur-ing 1980, a figure which was itself less optimistic than the forecasts being made in 1979.

Private housing starts last year reached 140,000 against 157,000 in the previous 12 months. In 1974—when private housing activity slumped badly—a start was made on only 106,000 homes.

The latest inquiry indicates that builders expect prospects Starts to deteriorate further, with total 80,000

HOUSE BUILDERS now expect private starts next year falling to make a start on only 115,000 to 110,000. The industry faces private homes during 1980-a slack demand for new proper total which would be the lowest ties, brought about by high since 1974 and one of the worst mortgage costs and uncertain performances since the second economic prospects. Margins are under pressure because of rapidly rising construction costs and stagnating market prices.

The inquiry, carried out by the Department of the Environment, also shows that at the end of June private builders owned land with planning per-mission for about 210,000 homes. Builders were estimated to have had about 18,000 unsold properties on their hands then, compared with 15,000 at the end of February and only 11,000

a year earlier. A continuing slump in council housing activity is deepening the house builders' crisis. Starts this year could be down to little

more than 50,000 with further reductions due in 1981 and 1982. Starts in 1979 reached just over

#### **Tory Left gives support** to Thatcher jobs policy

BY RICHARD EVANS, LOBBY EDITOR

AN EARLY indication was clent "wet" Ministers and Tory given yesterday that younger MPs threatened rebellion. There highest unemployment figures for over 40 years.

Mr William Waldegrave, Tory MP for Bristol West and a former aide to Mr. Edward Heath, declared last night that the worst thing the Government could do in present circumstances was to change course.

"Again and again in the past, Governments have started to pursue a line of policy, and then lacked the resolution to see it through.

"The worst possible option is to abandon this policy now, when we have had the pain, but not yet seen the benefit. It would make the sacrifice and the grief suffered by those who have already lost jobs pointless," he told Bristol Young Conservatives

Mr. Waldegrave, a prominent moderate from the 1979 intake. argued that, if the Government continued on course, there was a "fair chance" that present suffering would in the end be the prelude to better times. In practice, the only prospect extra £350,000 a year to provide of a change of course in economic policy would come if suffi-

Left-wing Conservative MPs are is absolutely no sign of this prepared to give their full back-ing to Mrs. Thatcher after the Ministers are equally relieved

the unemployment figures from Labour leaders. The Opposion has given the impression of being divided on tactics with some MPs demanding the immedite recall of Parliament, but others acting much more cautiously and awaiting devel-opments at the TUC conference

Defence axe

The total number of jobs in the Ministry of Defence and the Royal Ordnance fac-tories was reduced by 1,126 last month, according to Ministry figures published yesterday.

More than 1.000 of the cut/ came in the Ministry of Defence which is Whitehall's largest Ministry, Nearly twothirds of the jobs lost—all through natural wastage— were in the industrial grades. The Ministry and ordunace

factories have now lost 4,493 jobs in the past four months leaving a total staff level of

Research Council
Yesterday Prof. Morris said

the British working class had

not got rid of all the ailments

Ministers are equally relieved the relatively mild response

expected to go into some detail about his overall impressions of BSC since becoming chairman. Today's talks are a meeting of the TUC steel committee which, as such, will be chaired by Mr. Bob Scholey, BSC's chief executive. Mr. MacGregor will be attending in response to union requests to meet him.

About 280 Jobs are to be axed at the Staveley works of the British Steel Corporation's Stanton and Staveley group near Chesterfield, it was announced yesterday.

The redundancies have been blamed on continuing falling demand for products. The works employs 1,600 men and has been on a four-day week since March. Earlier this year, demand for grey spun iron pipe and foundry pro-ducts dropped resulting in the short-time working. There appears to be no prospect of

mand.

It is hoped that voluntary
will largely redundancies will largely cover the jobs to be lost.

Exchequer Stock

The Bank of England announces that, in accordance with the Aircraft and Shipbuilding Industries Act 1977, an issue of about £61.07m of 10 per cent Exchequer Stock 1983 is being made as compensation due in respect of the unquoted securities of British Aircraft Corporation (Holdings). This follows the announcement on August 21. 1980 by the Department of Industry and the stockholders' representative that compensa-

rest.

tion had been settled. The issue will be made at the rate of £100 Exchequer Stock per £90% compensation. and the stock will rank for a full six months' interest on December 12. It will not be distinguished from 10 per cent Exchequer Stock 1983 already in being. Dealings in the stock can take place from today.

#### BY RAYMOND SNODDY A RESEARCH group chaired Social Services Secretary, said high costs.

Royal College of Physicians, yesterday called for a major programme to reduce the incidence of poor health resulting from social inequalities in Britain.

The group, set up in 1977 by the Labour Government, found a striking "lack of improvement, and in some respects deterioration, of the health experience of the unskilled and semi-skilled manual classes relative to professional classes throughout the 1960s and early

It made 37 recommendations to reduce inequality and to improve the general standard of health in Britain. But in a foreword to the

group's report-Inequalities in Health - Mr. Patrick Jenkin,

by Sir Douglas Black, president, he could not endorse the recommendations. The report was mendations include: the Government. Mr. Jenkin regretted that partments involved in health-

there was little sign that health related policies; inequalities in Britain were setting up a l diminishing but said " additional expenditure on the scale which in present or any foreseeable changes; economic circumstances."

plemented by a change of greater emphasis on com-priorities within the health munity care. service of by administrative action which would not entail restraints on advertising and

The group's main recombeing made available for discus- Setting up a Cabinet subsion without commitment from committee to increase co-ordination of all Government de-

> ment Council to set national health goals;
>
> provision of more support

• setting up a Health Develop-

Ouse of savings from the cur-

sale of tobacco, and more pub- many girls and five times as Smith, secretary, Social Science licity on nutrition and the many boys. causes of accidents to children. Sir Douglas noted "a certain lack of warmth" in Mr. Jenkin's sional class had applied to the foreword but hoped the Secretary would give a more detailed response to the proposals.

The group found that a class

most causes of death and that recommendations—the amount for families rearing young case of respiratory diseases, although accidents at work, picture," he said, involved could be upwards of children, through an increase in Incidence of chronic sickness overcrowding, and cigarette-f2bn a year—is quite unrealistic child benefit and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to more smoking to the children and taxation tends to run parallel to the children and taxation tends to run parallel to the children and taxation tends to run parallel to the children and taxation tends to run parallel to the children and tality figures.

The difference in the life-Sir Douglas said yesterday rent decline in school population to finance more facilities cularly marked. At birth and cost of all of the group's recommendations. Half could be implemented by a change of greater emphasis on commendation within the health and deprivation.

The dimerence in the time of poverty, working conditions health unemplemented by a change of greater emphasis on commendations. The group included Prof. The group included Pro

The report says that if the mortality rate of the profesunskilled and semi-skilled in 1970-72, 74,000 lives of people under 75 would not have been. At the same time, it was being lost. This would have included affected increasingly and nearly 10,000 children and unequally by the diseases of gradient can be observed for nearly 10,000 children and 32,000 men of working age.

> smoking were related to class, health inequality could only be understood in relation

the babies of professional sity, Prof. Peter Townsend, Alexander Fleming Howard The group also seeks more parents. In the next 11 months Professor of Sociology, Essex Elephant and Castle, Londer Estraints on advertising and the ratio rises to four times as University, and Dr. Cyril SE1, £8.00 plus 50p postage.

of 19th-century deprivation, such as respiratory diseases affluence, such as heart disease. ticularly important that child-ren should be protected from

the increased incidence of illassociated · unemployment. The 400-page report is available from Policy and Planing Unit. Rm D403, DHSS, Alexander Fleming House, Elephant and Castle, London

# Third World airlines face hard future

were expected to fall behind of technological progress rendarilines to keep crew and maindered the West's airline in tenance costs down. dustry more capital intensive.

spread of electronics." To match the West, Third operations to justify this invest-ment." Mr. Salaam said both may be lacking

World could afford such invest-

have an adverse impact on the productivity of airlines in the Third World, which in some cases was only about help the chosen as intermediate the control of the chosen as intermediate.

THE PROBLEMS faced by Rising fuel prices would also Third World nations in civil have a serious impact on the aviation were outlined to dele-gates by Mr. Salim Bey Salaam, tines in the 1980s. With congeneral manager for inter tinued fuel price increases and national and government affairs a continued use of older, less of Middle East Airlines. He is efficient aero-engines. Third also the secretary general of the World airlines could find that Arab Air Carriers Organisation, writes Lynton McLain. per cent of their direct operating costs by 1990. Such increase would be "prowestern airlines as the impact hibitive" and would force the

The rapid growth of aviation Such a trend would be in the West contributed to the heightened by the increased use of computers and the competition among airlines. But Mr. Salim Bey Salaam said in the West contributed to the Third World airlines could not World airlines would need more Neither could they bear the effects if such experiments failed.

De-regulation had also re-sulted in "dumping" by wes-tern airlines. Very low fares It was likely that some of the tern airlines. Very low fares wealthier airlines in the Third between London and Hong Kong were already in force. ment. But the investment would Sectors at intermediate points be based on this wealth and not en route were likely to get even lower fares. through "dump

cases was only about half that because they did not have national airlines and imposed. reach "new heights of emciency" in matching aircraft to
route networks if the airlines gap in the 1980s could possibly
were to survive under the "new reduce Third World airline fares structure of airports in than the U.S., Mr. Kraemer said.

This would all be reflected in air transport economics of the productivity to only 25 per cent wide area, of the Arab and not transport economics of the productivity to only 25 per cent wide area, of the Arab and not transport economics of the productivity to only 25 per cent wide area, of the Arab and not transport economics of the productivity to only 25 per cent wide area, of the Arab and not transport economics of the productivity to only 25 per cent wide area, of the Arab and not transport economics of the productivity to only 25 per cent wide area, of the Arab and not transport economics of the productivity to only 25 per cent wide area, of the Arab and not transport economics of the productivity to only 25 per cent wide area, of the Arab and not transport economics of the productivity to only 25 per cent wide area, of the Arab and not transport economics of the productivity to only 25 per cent wide area, of the Arab and not transport economics of the productivity to only 25 per cent wide area, of the Arab and not transport economics of the productivity to only 25 per cent wide area, of the Arab and not transport economics of the productivity to only 25 per cent wide area.

# Makers 'must broaden search for funds'

THE enormous investment required to design and build new commercial jet airliners made it imperative for manufacturers to find ways of tapping new By Lynton McLain

THE MOST significant single decision taken by Qantas about fuel economy in recent times was to equip with Rolls-Royce

Was to equip with Rolls-Royce

THE MOST significant single decision taken by Qantas about fuel economy in recent times of St. Louis, U.S., in a paper delivered in London vesterday.

was to equip with Rolls-Royce delivered in London yesterday.
engines. Sir Lenox Hewitt, who Typical airliner development now involved manufacturers in chairman of the airline, told delegates yesterday.

He is now a member-elect to the board of directors of Ansett would be made, Mr. McDonnell Transport Industries, which said in a paper delivered on owns Australia's internal air- his behalf by Mr. Warren Kraemer, the corporation's vice-

The design philosophy of the president for Europe. Mr. McDonnell was unable peting engines, he said. The to attend the Financial Times/
"three-spool" design was already Royal Aeronautical Society conshowing significant benefits, in-ference on Aerospace into the cluding greater fuel efficiency Eighties and Beyond to deliver for improved range, higher his paper personally because of thrust and greater durability. the death of Mr. James S. The 524D4 version of the en- McDonnell, the founder of the

gine would enable Qantas to be corporation. Mr. Kraemer said that the 747 Jumbo jet at 833,000 lbs point when a programme betake-off weight, 100,000 lbs over came profitable was "extremely the original design of the first elusive and sometimes never arrives.

Only one or two of all the take-off weight would represent commercial jet airline types rently accelerating rapidly, built in the U.S. had earned reflecting rising tension in the 50 per cent over the original their makers a profit, he said. But future programmes, which Mr. Donald E. Stingel, direc-would share in an expanding tor of the Export-Import Bank market and benefit from past of the U.S. said that, in the 1979 experience, would be profitable. new sources of capital would mercial airliners, sold to 28 become "even more pronounced countries by Boeing, Lockheed in future years," Mr. Kraemer Boeing, McDonnell Douglas and ultimate outcome of deregula-

The U.S. aerospace industry sector had been about four times larger than the commercial aerospace market

The two markets frequently did not move in parallel: they were driven by entirely different forces, he said. The commercial market was

"extremely sensitive to economic conditions." A downturn in the economy discouraged commercial flying and airlines stopped ordering new aircraft. The time lag between the onset of a recession and the impact on orders for new aircraft meant that the commercial aircraft market would do extremely well in 1980, based on orders booked in 1978 and 1979. But Mr. Kraemer warned of an impending slowdown in the next few years, reflecting the

current economic downturn and the decline in air travel. The "Government aerospace" market was not sensitive to economic change and might be counter-cyclical. The military market was cur-

In recent years, the total U.S. aerospace market-military and commercial — had between \$19bn and \$36bn lines with unlimited scope for

Lockheed at the top of the list. tion was unclear.

By contrast, the U.S. car inwas dominated by Government dustry had only four major compurchases, mainly by the U.S. Department of Defense. On diversity of aerospace in the characteristic deregulation as "instant successions". The "pluralism and most profitable year in the history of U.S. sirlines. They hailed average the military aerospace U.S. was one of the characteristic deregulation as "instant success". This year the airlines U.S. was one of the characteristics which resulted in "extremely stiff competition." This in turn had produced a trend towards concentration of ruption was environmental. resources.

McDonnell Douglas insisted been adopted by the U.S. neces-

that it was a myth that exten-

FINANCIAL TIMES Aerospace in the 80s and beyond

sive cross-fertilisation and feedback still existed between military aerospace and the commercial sector. Technology and design would continue

In the commercial sector the

U.S. domestic market was in a

CONFERENCE

"state of extreme turbulance." Mr. Kraemer said. The turbulence had three causes. The politically inspired move varied to deregulate domestic U.S. air-

cess." This year, the airlines faced deficits.

The second source of the dis-

Last year, supporters of de-

sitating the replacement or modification of many airliners now in domestic service. The "explosive rise in the price of fuel and the troubled U.S. economy" was the third cause of the difficulties now facing the commercial airline sector in the U.S. The 30 per cent rise in air fares in the U.S.

travel in the U.S." in many parts of the world gave needed to cope with rising fuel cause for optimism in the longer prices.

last year, following a doubling

Mexico and Brazil were in the midst of a "take-off" that would to buy and sell or otherwise result in expanding economies exchange equipment with one for the next 20 years. Expansion in the Middle East would An airline acquiring a used continue. In the Far East, the Pacific basin with its large numbers of people and uncom- actual value. An airline selling promising commitment to free enterprise was now producing the highest rate of economic growth in the world."

The EEC also had "by no means run out of steam." It annually. This was shared competition between operators would probably continue to largely by the 12 major had supporters on both sides. show a higher rate of growth U.S. aerospace companies, with But McDonnell Douglas said the than the U.S., Mr. Kraemer said.

Mr. Kraemer discounted the potential threat from growth in telecommunications technology. The Douglas Aircraft Com-

pany had concluded that by 1994, worldwide air travel would have a "very healthy growth" at au average annual rate of about 6.4 per cent. As a result. demand for civil aircraft in the 1980s would be about 1.7 times greater than in the 1970s. Military expenditure would also grow steadily.

Group, in a speech at the conof the price of fuel, had "vir-tually eliminated growth in air The o ually eliminated growth in air The changes were needed to help airlines finance the But strong economic growth advanced, fuel-efficient aircraft

> "Such tax changes should be structured to encourage airlines An airline acquiring a used aircraft should be able to depreciate it in accordance with equipment should not be burdened with capital gains taxes resulting from inflation over the period of ownership, he said. But operators would have to reach "new heights of effici-ency" in matching aircraft to new heights of effici- of U.S. airlines.

# and new civil aircraft.

He said Third World airlines Changes in U.S. tax laws were called for by Mr. Robert J. Carlson, president of the Pratt and Whitney Aircraft

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Net interior of the Communication of the Communicat

# Post Office price rises and delays criticised

postal and telecommunications POUNC about Post Office services have been strongly inadequacies. criticised by the Post Office Users' National Council.

published yesterday reveals that equipment to the telecomincreased by nearly 30 per cent for the main network must reto 15,600 for the year ending main with the Post Office. March 1980, while the number of business users complaining Office should not neglect the 96 per cent respectively. In of long delays in obtaining needs of today's customers the year to March, 1980, it

. But the POUNC report also meet future needs. notes that there are encouragnotes that there are encouraged ing signs of a determination by that the first priority was being signs of a determination by that the first priority was being signs of a determination by that the first priority was being leave achievement against agreed sereraff to improve performance. healthy service for today's vice and productivity yard—

It is certainly un
The street are encouraged in the first priority was being leave achievement against agreed service for today's vice and productivity yard—

It is certainly unstaff to improve performance.

Mr. John Morgan, chairman of POUNC. commented: "Delays in providing service of many fault repairs should take sub-

RISING POST OFFICE prices specialised equipment who have ment programme to make the and serious deficiencies in both written "despairingly" to existing system more reliable.

It also says that the Post

of long delays in obtaining needs of today's customers specialised equipment nearly while it concentrates on investment in new technologies to

months, and in some cases up to two years, are inexcusable from a monopoly supplier."

The report tells of business users deprived of essential tells of business told POUNC of its major invest
Table 1 fault repairs should take subbelieve this will help foster the concept of a more open approach by the Post Office to its customers and make it more publicly accountable."

Complaints about delevs in the postal service increased The council welcomes the mainly because of the fact that Government's plans to relax the last summer only 78 per cent The council's annual report monopoly on the attachment of of the first-class mail was delivered the day after posting. the number of complaints munications network, but argues But the report notes that for received against the Post Office that complete responsibility the year to March, 1979, 89 per cent of first- and secondclass mail was delivered on

cent respectively.
POUNC has proposed to the

averaged only 83 and 82 per

Mr. Morgan said: "We

# Thomson cuts tour prices

Thomson Holidays has thrown seats and the failure of the down the gauntlet to its com- German and Scandinavian marpetitors by cutting the prices of thousands of holidays, and vastly increasing its capacity for next bottlers, have all helped the likely to go unanswered. The prices of thousands of holidays, and vastly increasing its capacity for next bottlers, have all helped the likely to go unanswered. The prices of thousands of holidays, and vastly increasing its capacity for next bottlers, have all helped the likely to go unanswered. The prices of the prices of thousands of holidays, and vastly increasing its capacity for next bottlers, have all helped the likely to go unanswered. The prices of thousands of holidays and vastly increasing its capacity for next bottlers, have all helped the likely to go unanswered. The prices of thousands of holidays and vastly increasing its capacity for next bottlers, have all helped the likely to go unanswered. The prices of thousands of holidays and vastly increasing its capacity for next bottlers, have all helped the likely to go unanswered. The prices of the prices of thousands of holidays and vastly increasing its capacity for next bottlers, have all helped the likely to go unanswered. summer—a season which Thomson itself predicts will see no increase in the total number of Britons travelling abroad.

Considerably expanding services from airports other than its traditional Luton base, increase our share of the mar-Thomson is adding 20 per cent to its 1980 capacity to bring its total number of holidays on offer to 770,000. It is also reducing the prices of many holidays and keeping its price increase

TV stamp

sales drive

launched

company in its campaign.

Mr. Roger Heape, marketing controller of Thomson Holidays, said the company would be ket," he said.

Thomson has underlined its keen pricing with a guarantee which limits surcharges to a maximum of 10 per cent of the brochure tariff.

around 7 per cent. The company was slow to de- Ibiza, from £259 to £208; and Thomson acknowledges that velop the business of Britons Corfu (from Glasgow) from the strength of the pound, the holidaying in the U.S., and its £237 to £210.

PACKAGE TOUR brand leader scramble of airlines to sell rivals Cosmos and Intasun were much quicker off the mark-German and Scandinavian mar- but now Thomson has increased

Thomson's challenge is unlikely to go unanswered. There is a prospect of a price and capacity war in the package tour business similar to that currently experienced in the airline market. Already, there is talk of some medium-sized companies feeling the strain of selling conditions. Further competition may anxieties.

Examples of the 50,000 holi-days on which Thomson is cutting its prices include: Miami, two weeks from £358 to £325;

# Yard denies blame

tion is eager to show that the floating production platform for to draw attention to ways of North Sea.

lump sun," said the BBC

ing the fee such as payment by their lawyers are still disputing Alexander Kielland rig disaster, credit cards, standing order, The conversion from a semi. The contract for the converinstalments and licence gift tokens.

The motive for the campaign is the BRC's concern that the single payment system makes it difficult to raise the fee sub-

# for platform delay

BY WILLIAM HALL

THE BBC is to launch a national campaign to promote the sales of television licence savings stamps. The Corporation is covered to the content of the conversion of the conversion of the clients."

LEWIS OFFSHORE, the Stornogave the reasons for the delay as "inaccurate drawings and denied it was to blame for frequent design changes by the delays in the conversion of the clients."

spreading the payment burden. The project, originally sche-planned. We hope our publicity drive duled to take six months, has will speed up introduction of taken almost two years to comnew methods of licence fee pay plete and the original cost of with BP yesterday, senior manof coping with a single annual over. Neither BP nor Lewis Off- changes and other delays were shore, which is part of the Nor- not of their making. Nor were The Corporation wants to wegian Fred Olsen group, has they attributable to the modifi-stroduce other methods of pay- disclosed the final cost because cations introduced after the

> submersible drilling rig was Lewis Offshore's first major The yard budgeted 526,000 man hours for the job and it has taken 31m man hours.

At the completion ceremony stantially. The BBC wants £34 in Stornoway yesterday, Mr. contract was let to BP's design for a colour licence increased to £50.

In Stornoway yesterday, Mr. contract was let to BP's design contractor. Matthew Hall director of Fred Olson Ltd., Engineering,

He said that, for example, the licence fee is good value, and the Buchan Alpha field in the job required six times as much steel plate as was originally Although Lewis Offshore was |

not keen to worsen the disput ment to overcome the problem £6.7m has increased many times agement insisted that the design cations introduced after the

> sion was won against stiff foreign competition by Aker Offshore Contracting, Fred Olsen's project management company, in conjunction with the Lewis Offshore yard. The

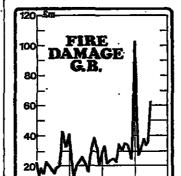
# **Palace** fire cost

By Eric Short

LAST MONTH'S FIRE at Alexandra Palace in North London cost British insur-ance companies £31m—the the third largest ever fire claim for British insurance according to figures issued yesterday by the British Insurance Association.

This loss accounted for nearly half the total fire damage last month amounting to £63.2m—a figure that has only once been exceeded by January's £103.5m.

Fire damage costs this year so far amount to £333.7m-75 per cent above losses for the first seven months of last year and only £21.6m below the total damage for the whole of 1979. Only the fire at British Aerospace's Weybridge ware-



house this January, costing £70m, and the Flixborough disaster in June 1974, costing £36m, have exceeded the cost of the Alexandra Palace

1977 1978 1979 1980

The high level of fire damage costs has been boosted by a large number of fires in which damage exceeded £1m. There were seven such fires in June, including the Alexandra Palace blaze, bringing the total so far this year to 27, which includes the British Aerospace fire. This compares with 42 major fires in 1979.

#### **Chemical** packaging proposals

ANOTHER 121 dangerous chemicals used in industry schedule of substances within the scope of the Packaging and Labelling of Dangerous Substances Regulations 1978. the Health and Safety Commission said yesterday in a consultative document,

The proposals, in the form of draft regulations, would implement an amending European Communities Directive on classification, packaging and labelling of dangerous substances.

Some changes are also proposed to the labelling provi-sions for certain substances.

# Alexandra Grassroots rebellion at the Co-op

THE IMMINENT retirement of Sir Arthur Sugden after six years as chief executive of the Co-operative Wholesale Society has brought into sharp focus the long-running power struggle for control of the largest food manufacturing and wholesaling organisation in Europe.

The CWS, which had a turn-over last year of £1.7bn, is the battleground for the sort of internecine rivalry that usually characterises both the TUC and Labour Party. As with these organisations, the struggle within the co-op movement is whether power should reside in the grass roots or with the established hierarchy.

This struggie will be brought to a head at a special general meeting of the CWS in October to decide whether the power of the society's chief executive which the CWS board itself has described as a "supremo" role should be lessened by the appointment of a full-time chair-

man of the board. At its most basic, the issue is whether the CWS should be controlled by professional management or by the representatives of the grass roots of the co-op movement, supposedly embodied in the society's board of directors. The issue will subsequently be put to a referen-dum of all the 191 retail

But the conflict at the CWS is more than just another board-room wrangle of the kind which besets most private and public companies. It has far-reaching ramifications for the 10.6m customer-members of the co-op retail societies. The major question is how the vast resources of the CWS should be used to help the co-op retail movement meet the fierce competition in the High Street.

The retail societies are finding it increasingly difficult to com-pete with the more aggressive multiple retailers for a share of both the food and non-food markets. The co-op's share of the total retail market, for example, has fallen from 7 per cent in 1977 to 6.7 per cent last year. Many societies are being forced to consider merging to survive, and few are trading profitably at present.

DAVID CHURCHILL, Consumer Affairs Correspondent, investigates the power struggle at the Co-operative Wholesale Society, the largest food manufacturing and wholesaling organisation in Europe.

Party, the co-op movement is full-time board which ran the concerned with democratically organisation was unwieldy and reflecting the interests of its that the directors had become grass roots members. Thus the out of touch with the retail customer-members are the owners of the 191 individual So it was proposed that a new retail societies who, in turn, are management structure headed the owners of the CWS which by a chief executive should be acts as manufacturer, banker set up, and that the board and supplier to the movement. should revert to part-time direc-In practice this democratic structure breaks down in two main ways. First, few members bother to vote or take any active

'Few members bother to vote, and many societies are run by self-perpetuating oligarchies.

some critics have described as self-perpetuating oligarchies." Second, at a time when the

trend in retailing has been towards greater centralised control — typified by such aggressive multiples as Tesco, J. Sainsbury, and Asda - the CWS has been forced to act in the same way, and must take most of the credit for slowing down the decline of the co-ops during the past decade.

It was the sharp decline in the Co-op's market share during the 1960s which led to the CWS being given much greater DOWER. A special committee in the mid-1960s came to two main conclusions: that there were too many retail societies, and that the CWS lacked management expertise at the top. The results of this internal review was the first of many plans for slimming down the number of societies, to create 25 or so large regional

societies who had elected them.

Such a structure, the internal review concluded, would help end the "division of interests part in their local society. Thus many societies are run by what between the retail and wholesale sides of the movement which has embarrassed the CWS ever since it was formed." The CWS came into existence 116

years ago. In the 1970s the CWS thus helped establish the national Co-op logo, the introduction of dividend stamps, built up a regional distribution network, and launched a national mar-keting effort. At the same time it rationalised its production facilities, improved productivity, built up the Co-op Bank into a clearing bank, and generally proved a commercial

This achievement was spear-headed first by Mr. Philip Thomas, then — after Mr. Thomas's death in an air crash —by Mr. Alf Wilson, and latterly Sir Arthur Sugden.

But the CWS board now admits that the effect of these changes "was not fully per-ceived at the time." By 1978, the board points out, "relations between the CWS and some societies had deteriorated and a on the Co-op's trading probsense of a lack of responsive- lems in the 1980s. ness pervaded."

chief executive "supremo"— characterises the major High was determining policy within Street multiples. The Co-op's the movement, rather than competitors must be rubbing letting such decisions be taken their hands with glee at the protect to consider merging to groups, and for a complete overby the retail societies. It is attempt to weaken—for whatrofitably at present.

Like the TUC and Labour It was decided that the largely time board members cannot CWS.

control an organisation the size of the CWS as effectively as the

full-time management. The autonomous and flercely independent retail societies—which have found it increasingly difficult to survive in the High Street-have also been

somewhat envious of the proven success of the CWS. Such an attitude means that many retail societies choose to buy at least a third of their needs from other suppliers, although it would make more sense to get all their supplies from the CWS.

But the prospect of Sir Arthur Sugden's retirement next month has led the retail societies, through their part-time board members, to seize the opportunity to reassert their control over the CWS manage

The board has proposed that a full-time chairman be appointed to bridge the gap between the CWS management and the board. At the same time, the chief executive's powers would be curbed by involving a wider management

But it is by no means certain that the retail societies will support the proposal for a fullwill claim that it does not go far enough.

Even if the move goes ahead, t remains doubtful whether it

'The co-op's competitors must be rubbing their hannds with glee at the attempt to weaken the CWS.

will have any significant effect

These problems stem from In plainer language, many the fact that there are too many societies felt that the CWS retail societies acting without management—headed by the the centralised control that

secretary secretary

# Office salaries failing to match inflation

BY MAURICE SAMUELSON

INCREASES IN office salaries and in reaction to lower rises in are falling behind the rate of the previous year. Union inflation, and office staff in pubnegotiations also resulted in lic services have received bigger some high settlements in bankwage rises than those in private ing and insurance in these

cent below the retail price index on March 1, 1980, says the re- per cent. port, which covers 39,000 staff in 602 different establishments throughout the UK.

At the same time, the survey points out, unlike some earlier periods of strong inflation, average earnings of all employees did not appear to have lagged far behind the Retail of inflation.

given in the City of London and high increases in Tyne and the West End, probably as a Wear.

result of increased travel costs The advantage of working in

areas.

These are the key findings of the 1980 Office Salaries Analysis tions in the increases won by published today by the Institute different categories of clerical of Administrative Management. staff. While younger unqualified
The main grades of clerical staff won an average rise of little workers won increases of about more than 10 per cent, older 16 or 17 per cent, 2 to 3 per and better qualified personnel cent below the retail price index secured rises between 16 and 21

The Institute believes this reflects the lack of employment opportunities for younger staff and the greater ability of more qualified personnel to hold their jobs or find new employment. the conurbations Among

Greater London continues to pay the highest rates, but East Price Index, and at higher Anglia, the South-West and the grades office staff kept abreast North of England showed the highest pay rises. were also surprisingly year's

The advantage of working in

South East

South West West Midlands Yorkshire and 3550 3572 3234 North West 2892 2725 3775 energy-related companies per cent above the average) and

NATIONAL AND REGIONAL MEDIAN SALARIES FOR

**TYPISTS AND SECRETARIES 1980** 

3085 3602 3249

shown in the survey's table of office salaries in 11 industries. It is headed by coal and petroleum products, where salaries by Keith L. Scott, 126 pages; for middle-rank clerical staff £54; published by the Institute moved to more than 36 per cent above the UK average, followed 205, High Street, Beckenham, by food, drink and tobacco (15 Kent, BR3 1BA.

Office Salaries Analysis 1980, of Administrative Management,

AKTIESELSKABET KJØBENHAVNS HANDELSBANK (COPENHAGEN HANDELSBANK A/S) COPENHAGEN

Half-Year Report:

#### **EARNINGS SATISFACTORY** -DESPITE INCREASINGLY ADVERSE **ECONOMIC CONDITIONS**

Copenhagen Handelsbank's operating results for the first half of 1980 were satisfactory, even though the harsher business half of 1980 were satisfactory. climate with which the corporate sector had to contend obvicumate with which the corporate sector had to contend obviously affected our operations and, therefore, our pattern of earnings. Our operating profit (before adjustments for changes in the market value of securities, depreciations, provisions and taxes) amounted to D.kr. 260.5 million, against D.kr. 244.9 million in the first half of 1979.

#### PROFIT AND LOSS ACCOUNT

(D.kr. million) Interest and commission on advances Interest on deposits	1,561.3 983.0	993.8 646.6
Net income on deposit/lending operations Interest and dividends on bonds and shares, etc. Interest on deposits with domestic banks, net Interest on deposits with foreign banks, net Interest on subordinate loen capital	578,3 292.8 222.8 47.4 18.1	347.2 311.9 —63.2 30.7 —17.3
Net interest and commission Other ordinary income!) Extraordinary income, net	677.6 160.4 1.7	609.3 151.8 3.4
Total  - Salaries and pensions  - Other expenses	839.7 394.0 185.2	764.5 344.0 175.6
Profit before adjustments for gains/losses on securities, provisions, depreciations, and taxes.	260.5	244.9
- Jones transportion	nee of D.kt. 11	.Xmm

These figures do not include an exchange loss on subordinated loan capital (estimated at D.kr. 2.8 million at end-June, as against D.kr. 14.0 million a year earlier) and an exchange gain of D.kr. 17.6 million on the portfolio of foreign securities, com-

includes commission on mon helf of of 1979: D.kr. 20.0 m).

pared with a gain of D.kr. 16 million at end-June 1979. At end-June, we had an unrealised loss on our portfolio of bonds and shares of D.kr. 52 million; at the same time last year, we had a gain of D.kr. 181 million.

However, taking the end-July stock market quotations as our starting point, we see our results improve to the tune of over D.kr. 100 million; and, on the basis of the current interest level, we can reckon on satisfactory gains on the value of our securities portfolio for the year as a whole. At the present time, the budgets for the year as a whole

(before provisions and value adjustments for the securities port-

folio) suggest that there will be some improvement on the

AKTIESELSKABET Kjørenhavns handelsbank (COPENHAGEN HANDELSBANK A/S)

# The Hongkong and Shanghai Banking Corporation

(Incorporated in Hong Kong with Limited Liability)

#### INTERIM STATEMENT (UNAUDITED) FOR THE HALF-YEAR ENDED 30 JUNE 1980

Six months to 30 June 1979	Six months to 30 June 1979			Six months to 30 June 1980	Six months to 30 June 1980
HK\$485,357,000	£44,003,000	Net profit of The Hongkong and Shanghai Bankir Corporation and its subsidiaries	ng	HK\$583,855,000	£50,332,000
(52,628,000)	(4,771,000)	Deduct: Profit attributable to outside shareholde in subsidiaries	rs	(69,834,000)	(6,020,000)
HK\$432,729,000	£39,232,000	Profit attributable to the shareholders of The Hon Shanghai Banking Corporation	gkong and	HK\$514,021,000	£44,312,000
118,595,000	26,838,000	Balance brought forward from previous year HK	\$341,248,000		29,417,000
·	(16,086,000)	Deduct: Capitalised as part of bonus issue April 1980	209,373,000	131,875,000	(18,049,000)
HK\$551,324,000	£49,984,000			HK\$645,896,000	£55,680,000
(1,153,000)	(105,000)	Deduct: Transfer to reserves subsidiaries		(256,000)	(22,000)
(166,300,000)	(15,077,000)	Interim dividend 18c per share (1979:24c)		(200,556,000)	(17,289,000)
HK\$383,871,000	£34,802,000	Balance carried forward		HK\$445,084,000	£38,369,000
HK\$0.39		Earnings per share (adjusted for scrip issue)	•	HK\$0.46	

THE FOLLOWING CONSOLIDATED BALANCE SHEET DETAILS ARE ALSO GIVEN FOR THE INFORMATION OF SHAREHOLDERS

31 December 1979

HK\$125,292,490,000

HK\$3,709,415,000

£11,431,796,000 £338,450,000

Gross assets Shareholders' funds

**30 June 1980** HK\$145,970,385,000

£12,583,654,000 £424,751,000 HK\$4,927,117,000

The Directors announce that the share registers will be closed from 15 September to 27 September inclusive and the interim dividend of HK\$0.18c per share is payable on 9 October. A final dividend of not less than HK\$0.36c per share is forecast making a total distribution of not less than HK\$0.54c per share for 1980.

#### UK NEWS-THE NATIONAL INSTITUTE REVIEW

Peter Riddell examines the latest forecasts for output and unemployment

# Job prospects 'now worst since 30s'

en-ployment in the UK are now probably the worst since the 1930s, the institute suggests in a bleak analsis of the prospects for the domestic economy.

The institute says that even though output is expected to make a modest recovery next year after a substantial fall this year, unemployment is likely to go on rising throughout both

Indications for later years 1980 suggest that it will be some time 1981 before the peak is reached and longer still before unemployment could be expected to return to anything approaching of payments, which it now ex-the levels of the 1950s and pects to move into surplus.

would be serious enough even if cies is expected to fall on out-it were uniformly distributed put before it affects prices. but unfortunately it is likely to

Total output, as measured by real Gross Domestic Product, is expected to fall by 1.8 per cent this year before rising by 0.6 per cent next year.
Adult unemployment

Great Britain is projected to rise from a current level of 1.62m to 1.75m in the fourth quarter of this year and to 2.19m by the end of 1981. This implies a much higher figure for the UK unadjusted

total including school-leavers. The institute points out that since unemployment lags behind changes in output it is unlikely that even a change in could prevent this although the of change could be

affected. The latest forecasts are gloomier about the prospects for output, living standards and unemployment than the last quarterly projections in May. But the Institute has radically changed its view about the unchanged at around its curcurrent account of the balance

AKZO NV Registered Office at Amhena

Sales.....

Operating costs excluding depreciation ......

Depreciation .....

Operating income .....

Operating income less interest.....

Equity in earnings of non-consolidated companies.....

Extraordinary items

of which minority interest.....

Net income per common share of Hfl 20, in guilders .....

Common stock.....

Compared with the second quarter of 1979, sales and income for

this year's second quarter were satisfactory. Owing to a perceptible

downturn in the economy the level of the first quarter of 1980 was

not attained, however.

Group sales for the first six months of 1980 were up 7% over the

year-earlier period. Selling prices were on average 12% higher

The translation into guilders of sales of foreign Group companies

Mainty due to increased earnings of non-consolidated companies,

net income in the first six months of 1980 was higher than in the

In the first half of 1980, positive inventory valuation differences

have arisen, of which an amount of Hit 13 million is included in net

In the second quarter of 1980, the performance of synthetic textile

and carpet fibers was worse, both for Akzona's fiber division and for Enka. Operating income for Enka's industrial fibers remained

Operating income for the first six months of 1980 was satisfactory.

At the end of this period the influence of a recessionary trend

clearly positive, albeit somewhat lower than in 1979.

at lower rates of exchange had a negative effect of 2%.

lerest......

s on operating incomeless interest.....

Report for the 1st half year 1980

Consolidated statement of income

Sales and results

while shipments were 3% lower.

corresponding period of 1979.

Chemical products and coatings

made itself felt for commodity chemicals.

Man-made fibers

SUMMARY OF FORECASTS (May projections in brackets) Current ing reployment (fourth account Real GDP quirement sterling M3, (% change, year/year) (year, £bn) year, £bn) -23 9.8 1.23 12.5 12.1 5.9 -0.8 ( -2.6) 2.0 ( -1.3) 1.75 (1.6 -1.8 (-1.1) 0.6 (0.6) -0.3 (1.2) 2.19 (1.96) 75.3 (14.9) 6.2 (8.0)

"Unemployment on this scale Government's deflationary poli-Real personal income is forefall with disproportionate cast to rise by 11 per cent in severity on different industries, occupations and regions."

The desired control of the dispression of the declining activity mean that it is unlikely to rise next year.

Despite the rise in unemployment, average earnings are still expected to rise by about 16 per cent during the 1980-81

Consumer prices are expected

to rise at an average rate of over 15 per cent next year, compared with an increase of 161 per cent on average this year. The depression of the UK economy relative to that of the rest of the world together with the short-run inverse J-curve effects of the rise in the exchange rate (boosting the sterling value of exports and Government policy or in par-sticipation or registration rates depressing the sterling value of imports) and the excess of oil

> A deficit of £828m is projected for this year with a surplus of £2bn in 1981. Sterling is expected to remain

and gas production over con-

sumption should lead to a big

improvement in the current

The brunt of the recession is company sector, excluding North Sea operations and financial institutions, with profits in real terms expected to be substantially below their 1975 level, the low point of the last

The last review in May said

National Institute Economic Review, number 93, August 1980, from National Institute of Economic and Social Research, 2 Dean Trench Street, Smith Square, London SWIP 3HE. Annual subscriptions: £25 (home) and £35 (abroad). Single issues for 1980: £7 (home) and £10 (abroad).

the financial pressures on the company sector were becoming intolerable. "Since then the pressures have indeed proved intolerable and employment and output have fallen."

2nd quarter

(120.7)

71.5

0.8

63.4

1979

(2,760.4) (123.1)

(63.5)

100.8

(0.2)

70.7

(8.5)

62.2

2.10

miscellaneous products

their stable development.

Pharmaceuticals, consumer products and

Capital expenditures and financing

Amhem, August 1980

For this group of products, sales and income continued, in general,

Expenditures for additions to property, plant and equipment aggregated Hil 270 million in the first half of 1980 (first half of 1979:

In the second quarter, agreement was reached on the financing of

the electrolysis capacity expansion in Rotterdam and of the restructuring measures for the Emmen fiber plant.

The number of employees at June 30, 1930, remained practically unchanged from that at December 31, 1979 (83,000).

591.9

Investment in manufacturing expected to be borne by the is projected to fall by 10 per cent this year and by 11 per cent in 1981. Destocking of some £13bn is also expected by the

end of next year.

Consequently, the forecast profits squeeze is slightly eased, with profits in industrial and commercial companies as a whole around their 1974 rather than 1975 lead in 1991 in real than 1975 level in 1981 in real terms. However, after exclud-ing North Sea oil the forecast is still for profits substantially lower than in 1975.

The May projections was that gross trading profits of industrial and commercial companies (excluding North Sea opera-tions) would be £4.5bn in current prices this year and £2.5bn in 1981. The institute is now projecting profits of £9.6bn this year and of £10bn

The overall financial deficit of the corporate sector was projected in May to be £10bn this year and £11bn in 1981. The latest forecasts are for deficits of £5bn this year and of £6.5bn in 1981. This compares with £4.77bn in 1979.

The increase in world oil prices, the planned price rises in the nationalised industries (10 per cent more than the rate cost inflation) and the Government's apparent deter-

1979

5,948.8

(5.390.1)

(243.8)

(123.3)

191.6

(5.2)

120.6

(0.01)

101.6

3.43

The Board of Management

1st haif year

1980

(5,808.3) (244.7)

184.1

31.7

161.1

153.0

5.17

(8.1)

8.0

wage increases below those in the private sector contribute to the forecast decline in public sector borrowing from £9bn in the current financial year to £6.2bn in 1981-82. This is on the assumption of unchanged policies.

The automatic tendency of the budget deficit to rise during a recession is particularly offset by the forecast rapid growth in North Sea oil revenues, which are projected to rise by £4½bn between 1979-80 and 1981-82.

It has been assumed that the change in sterling M3, the broadly defined money supply, in the current financial year will be at the upper end of the present 7 to 11 per cent target range but will then fall to 8 per cent, the mid point of the 6 to 10 per cent range projected for 1981-82,

Given the reduction in the public sector's demand for finance, the institute's calculations suggest that, with the demand for bank loans slackening with time in response to the recession, these monetary targets can be satisfied with rather lower sales of Government debt than in the last two years. Therefore Minimum Lending

Rate, currently 16 per cent, could possibly reach 13 per cent by the end of next year. The projected path of public sector borrowing implies a decline in its percentage share of Gross Domestic Product from 5 per cent in 1979-80 to 4 per

cent in the current financial

year and to 2.4 per cent in 1981-82. On a cyclically adjusted basis and using 1978-79 as a base, the public sector financial deficit (slightly smaller than total pub-lic borrowing) would be very small in the current financial year and there would be a large surplus in 1980-81. This assumes

an underlying cyclically adjusted rate of economic growth of 2½ per cent a year from 1978-79 onwards.

#### Demand for fuels reflects price rises

A CLEAR relationship exists between the shares of various fuels in the overall consumption of energy in the UK and movements in their relative real prices, according to a special article in the latest

The author, Jenny Morel the distinction between the dramatic increases in the world price of oil and the far smaller, though varying, in-creases in real prices paid by consumers for other fuels. She notes that since 1973

the average real prices of oil products and coal have both increased by about 50 per cent and the real price of electricity by about half this amount, whereas that of gas is back to its 1973 level. This has been reflected in

a fail in oil and coal consumption and a rise in demand for gas. The increase in the annual

average real price of all energy has been 35 per cent. Total energy consumption by final consumers, which had been increasing quite steadily, prior to 1973, steadily, prior to 1973, dropped by 8½ per cent between 1973 and 1975 (output also fell in this period) but then began to increase again slightly to exceed the 1973 level with a rise of just under 101 per cent by 1979 (admittedly an exceptionally

#### cold year). Short-term role of tariff cuts

THE RELATIONS between trade and industrialisation are examined in one of a series of special articles in the latest

review. authors — R. Batchelor of the City University and R. L. Major and A. D. Morgan, both of the institute's staff-say there is no one conclusion that can be drawn

for all countries.

They look especially at the effect of tariff cuts as in the Dillon and Kennedy rounds. For the majority of the main industrial countries these tariff cuts explain most of the increase in import ratios between 1963 and 1971

The major role attributed to the shorter term effects of tariff cuts-and the fact that they cannot be repeated on a similar scale—are the main grounds given for the view that the growth of world trade in manufactured goods will not merely remain slower than in the pre-recession years but will be lower also in relation to the growth of world manufacturing output.

Another special article-by C. J. F. Brown, now working for British Rail and formerly on the institute's staff-discusses industrial policy and economic planning in Japan

and France. A further short article describes methods used to check the complex commodity-bycommodity approach to the forecasting of primary produet prices.

# Government must act to boost consumer spending

be increased or taxes should be reduced if any deceleration in the rise of money earnings is not to make the recession even worse, the National Institute of Economic and Social Research says in its latest quarterly review, pub-

lished this morning.
The institute, an independent economic research body, urges a relaxation of fiscal policy against the background of a gloomy analysis of the prospects for output and for unemployment.

While it may be necessary for pre-tax real wages to fall if rapid progress is to be made in bringing down the rate of inflation, it does not follow that post-tax real wages also have to fall

Unless the Government takes the view that even higher levels of unemployment are needed, there seems to be no reason why it should not use fiscal policy to bring about a rise in consumers' expenditure and in output in 1981."

Its argument starts from an might be higher than otherwise. analysis of the ways in which But the forces of recovery are

employment. The most immediate likely outcome is a reduction in real demand and a reduction in the level of activity. If the economy is already in recession, it is likely that the recession will be made a little worse.

"However, as a consequence of the (relative) reduction in inflation, changes occur in interest rates, exchange rates, the propensity to consume, and so on which may be favourable to a recovery of output and employment (and incidentally real wages) in the longer run."
"The crucial question for the longer run is whether these recovery influences are strong enough to bring the economy

unemployment" The review says some economists accept this as a matter of faith, but the institute's model suggests that after an initial worsening there is a recovery of real output, such that in a few years' time the output level

back to an acceptable level of

GOVERNMENT spending should moderation of nominal wages not so strong as to guarantee a could influence output and return to acceptable levels of un-

employment.
The institute is doubtful about whether trade unions will appreciate their long-run interests and moderate wage demands accordingly.

"The trade off thus appears to be between a virtually certain short-run worsening against an improvement in the longer run which is much less certain and whose scale is not guaranteed." A much lower rate of in-flation and consequently a much lower level of annual increases in money incomes would cer-

tainly be welcome.

However, it is "sceptical that most wage bargainers will be willing to accept any significant

decline in real wages under free collective bargaining. "Thus on the one hand we would suggest that only changes in the wage bargaining system will allow money wage increases to fall rapidly in the short run and, on the other, that fiscal policy should be used to prevent any such success in controlling inflation from making

# Fall in industrial output forecast

THE RECESSION is likely to affect output in almost every sector over the next two years, the institute suggests in a special half yearly analysis of

industrial prospects.

Manufacturing output is expected to fall slightly further from current levels in the second half of this year with no

recovery in 1981. This implies average annual falls of 6 per cent and 11 per cent. This compares with the Treasury projection at the time of the March Budget of a drop

of 41 per cent this year.

expected to follow a similar pattern with falls of 5 and 1; per cent over the next two years. The institute suggests that the industries that will be worst affected will be those, like energy products, steel, shipbuilding and other metal goods. where technical change encouraged by price movements, will reinforce the decline in their users' output and those of the Government's demand facing a large fall in consumer demand, like textiles and cloth-

Total industrial production is

growth can be expected are, introduction of selective indusfirst, those maintained policy or international demand Government policies can be -mining and quarrying (in- observed. cluding North Sea oil production), and aerospace; second,

Annual percentage rates of change of output in volume terms			
Annual percentage rates	1979	1980	1981
Food, drink, tobacco	+ 1.1	+ 1	+ }
	+ 1.7	~ · - 5}	—2 <del>1</del>
	+ 1.2	<b>—26</b>	+1
		- 3	2
	- 15	-11	-1
		15	-41
		- 6	—1 <del>↓</del>
			_
(including North Sea oil)	+26.8	+ 41	<del>-1-9</del>
		- 4	-3
Total industrial production	+ 2.6	<u> </u>	- 7

**CURRENT ACCOUNT BALANCES** 

(U.5.\$bn)

1979.

(estimate)

+ 4

Source: National Institute review

portance of technical innova- the UK and export markets as tions may mitigate the much as they otherwise could recession's effect; and third, in a period when domestic food and water. "Although the general impact

restraining policies blurs distinctions among industries' per-The only industries where see results from the limited where output is trial policies in some areas, by Government some effects of particular effects of particular

back by the high exchange rate affecting the prospects for an electronics, where the im from increasing their shares of eventual recovery.

demand is depressed relative to external demand. "For some of these, high fuel

prices further lower their com-petitiveness. Construction is affected by low public investment and high interest rates. "A prolonged period of low output and therefore of low demand for new investment to expand capacity may do lasting damage to the capital goods "Trading industries are held and construction industries,

# OECD area growth checked

Total OECD

Centrally planned

THE GROWTH of output in the major industrialised countries appears to have been abruptly checked in the second quarter of this year.

Some fall is likely in the second half of 1980 with no very marked recovery before the Other developed middle of next year, the insti-Oil exporters tute suggests in its review of the world economy.

Total output in the 24

countries in the Organisation for Economic Co-operation and Development area is unlikely to be much more than 1 per cent higher this year than in 1979 and growth in 1981 will probably be under 2 per cent.

In the U.S., at least, recovery could begin before the end of this year but in most countries any growth is likely to be moderate until the middle of

Both consumers' expenditure and non-residential investment are expected to increase a good deal less this year than in 1979 and housing investment is likely to fall, especially in the U.S. Public spending will probably make much the same contribu-

tion to the growth of demand as last year,

after lying between 5 and 51 figures next year.
per cent for the previous 21 World trade all years.

Unemployment rates in the for the whole OECD area is ex-OECD area averaged close to pected to be about 13 per cent 6 per cent in the second quarter in 1980, but it may be in single World trade also appears to

1980

(forecast)

1981

(forecast)

<del>- 95</del>

+174

+ 13

an

fol

re:

fro

be responding predictably to There can be little doubt that the onset of recession. Owing further increases are in store, in part to the buoyancy of trade In the last recession the highest in manufactured goods in the corresponding figures appear to early part of this year, the total have been around 5½ per cent, rise in the volume of trade is reached in the second half of expected to reach 4 per cent in 1975, about two years after out- 1980, but it is likely to be put reached its peak and six rather smaller in 1981.

months beyond its subsequent In both years the oil exporters are forecast to increase low point.

Oil prices are forecast to be their imports very rapidly from fairly stable until the end of the rest of the world. Neverthe year and to increase much theless, their surpluses on less on an annual basis in 1981 than this year.

the rest of the res The rise in consumer prices compared with \$67bn in 1979.

#### STET - SOCIETA FINANZIARIA TELEFONICA D.A.

Holding of the Istituto per la Ricostruzione Industriale (LR.I.) for telecommunications and electronics

Registered Office: TURIN - Viz Bertola, 28 - Tel. 5721

Head Office: ROME - Viz Aniene, 31 - Tel. 8589

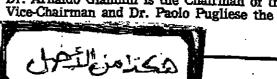
The Ordinary General Meeting of the STET Group, Holding of the I.R.I. Group (Istituto per la Ricostruzione Industriale) for telecommunications and electronics, was held in Turin on July 25, 1980 under the chairmanship of Dr. Arnaldo Giannini. The report of the Board of Directors and the balance sheet at March 31, 1980 were approved. The Profit and Loss Account closed with a net profit of 4.6 billion lire. The Board of Directors decided to distribute no dividend and thus, after fixing the established quota to the Legal Reserve, to allocate the available 4 billion lire to the "Reinvestment Fund for Southern Italy."

The Group's turnover exceeded 4,000 billion lire with an increase of 18% in comparison with 1978.

At the end of 1979 the staff numbered 133,000; the labour cost registered a 20% increase. Abroad the overall turnover reached 270 billion lire, whereas the sales, equal to about 22% of the STET manufacturing and subsidiary societies' overall turnover, confirmed the positive trend of the Group to further expansion.

The Group's financial performance equal to 7,257 billion lire reflects the considerably increasing volume of investments.

Dr. Arnaldo Giannini is the Chairman of the Board, Dr. Carlo Cerutti the Vice-Chairman and Dr. Paolo Pugliese the Managing Director.



# The breakdown of sales and operating income by product group is as follows (in Hill million):

		र्वेताका श्रहा	tong trait Ages	
بركائند النصمال سامات سنداد	1980	1979	1980	1979
man-made fibers	950	981	1,970	1,941
chemical products and coatings pharmaceuticals, consumer products and miscellaneous products	1,243 949	1,150 949	2,554 1,941	2,261 _1,808
other Humaner transfer by October	3.142	3.080	6,465	6.010
intra-Group deliveries non-allocated costs	(52)	(32)	(90)	(61)
ficial	3,090	3,048	6,375	5,949

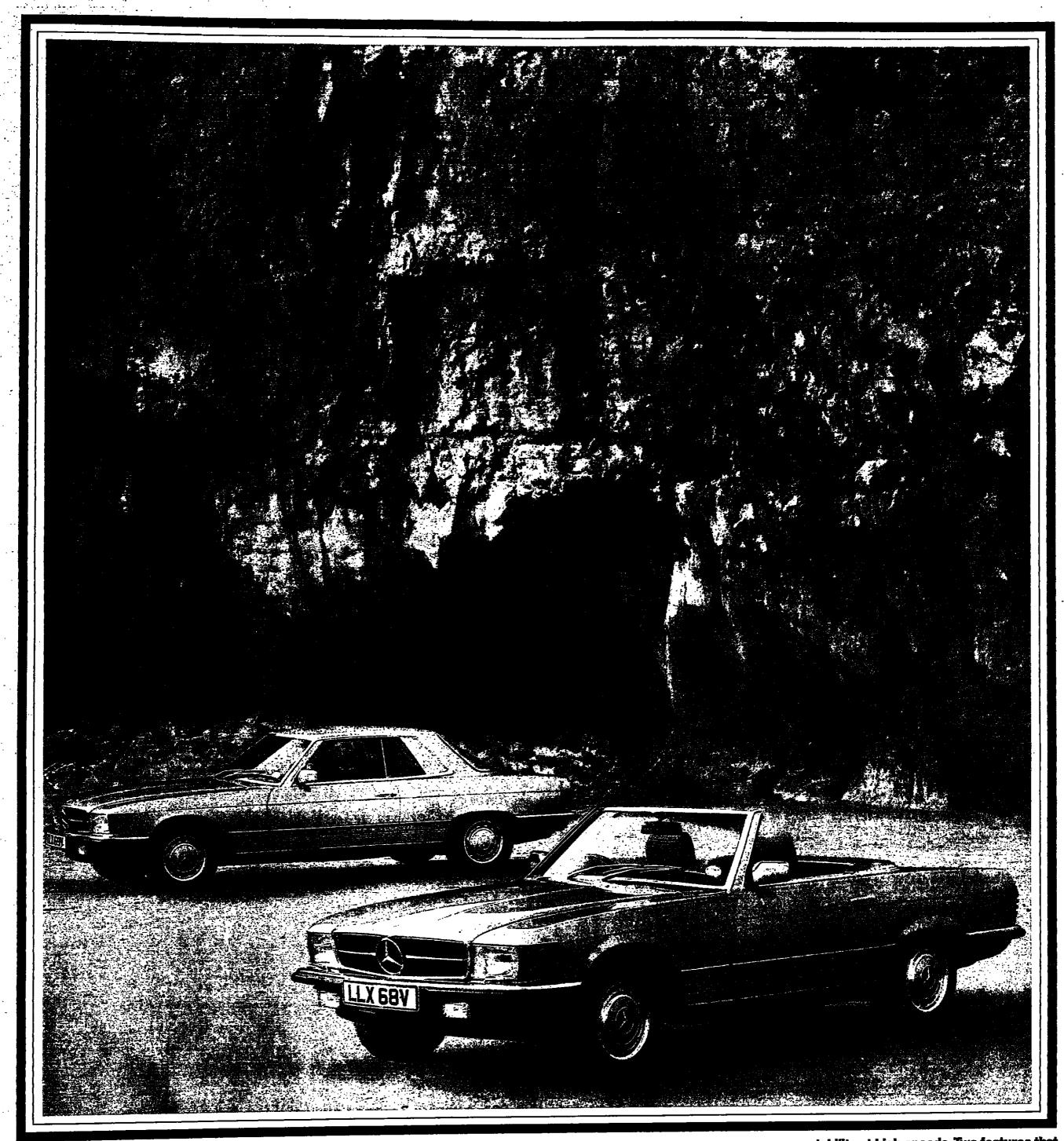
	i	Operatin	g income	
	2ndq	uerter	iste he	lf year
	1980	1979	1980	1979
	(20) 77	18 <b>79</b>	(14) 181	26 154
ı	92	80	171	151
	149	177	338	331
1	(8)	(13)	(16)	(16)
	141	164	322	315
لص				

#### Consolidated balance sheet (condensed)

in Hff million	June 30, 1980	Dec. 31, 1979		June 30, 1980	Dec. 31, 1979
Property plant and equipment	3,319	3,278	Akzo N.V. stockholders' equity Minority interest in Group equity	2,476 411	2,325 408
companies and other non-current assets Inventories Short-term receivables and prepald	435 <b>2,45</b> 8	441 2,233	Group equity	2,887 1,140	2,733 1,147
expensesCash and marketable securities	2,468 772	2,277 805	Long-term debt	2,639 2,784	2,600 2,549
Total asseis	9,450	9.029	Total Group equity and liabilities	9,450	9,029
		;	Stockholders' equity per common share of Hit 20, in guilders	83.65	78.55

The positive inventory valuation differences arisen in the first half of 1980 have been uniformly distributed over the whole year, as was done in 1979. Apart from this distribution, the principles of consolidation, valuation and determination of income are the same as used in preparing the 1979 financial statements.

Copies of this report may be obtained from the London Paying Agent: Barclays Bank Limited, Securities Services Department 54, Lombard Street, London EC3P3 AH.



There are no better surroundings for Mercedes-Benzadvanced engineering than the sleek, spacious comfort of the SLC coupes and those leaders in sports car luxury, the SL's.

The envy of many and arguably the most handsome cars on the road, the new advanced SLC's and SL's form a technically faultless range.

Although dramatic new developments have taken place under the bonnet, the results have not been extravagant, over-powered cars of little practical value.

Top of the range, the 500 SL has benefited from our boldest engineering developments.

The merest touch of its transistorised ignition arousing a mighty 5.0 litre V8 fuel-injectedaluminiumalloyengine, developing 240 DIN/hp at 5,000 revs.

New aluminium engines will also be found in the 380 SL and 380 SLC.

This time a 3.8 litre V8 with fuelinjection, developing 218 DIN at 5,500 revs. As you'd expect, the new engines from Mercedes-Benz are not only very

# **OUR WIDE NEW RANGE** powerful, they're extremely sensible too. fuel-injection engines with twin overhead

So, while most other aluminium engines have steel cylinder liners, ours

have cylinders lined with hard-wearing silicon crystals.

A refinement extending life expectancy and efficiency.

Another advantage of these lightweight aluminium engines is, of course, significantly improved fuel consumption.

All three models benefit from our rugged new torque converter automatic transmission as standard.

The new 280 SL's and the SLC's both have 2.8 litre six cylinder, in line,

camshafts.

As always, increased performance and significant technical advances have not led to any radical modifications in the classic design.

You'll hardly notice the addition of the front spoiler on the SL's and the SLC's.

And, the 500 SL's boot spoiler is anything but ostentatious.

However, once behind the wheel the difference is plain. A degree of sensitive handling that will surprise and enthuse any experienced sports car driver. While the rear spoiler gives noticeably improved

stability at high speeds. Two features that scientifically and systematically provide supremely efficient road holding and

greater safety.

Not to be ignored when safety is being reviewed is the rigid steel passenger cell that was perfected and patented by Mercedes-Benz as long ago as the 1950's.

This cell is integrated with crumple I zones at the front and rear which decelerate the force of the collision. So as you'd expect, the Mercedes-Benz SL's and SLC's are remarkably safe.

Of course no sports car made by Mercedes-Benz is purely sleek looks and power. Today's SLC's and SL's provide the ultimate combination of high performance, unthought of peace, quiet and luxurious comfort that for decades has been synonymous with the name Mercedes-Benz.



On a year-on-year basis since

cent a year to 20 per cent a

cast is for another 20 per cent

Over the years the most sub-

stantial energy savings have

been achieved at the company's

Atherstone plant, east of Birm-

ingham, which makes abrasives.

Savings there of more than a

third were achieved in 1977

followed by just over a quarter

become even more ambitious.

within 30 months.

two years.

modern in design.

3M UK has proved.

Titanium hopper which forms integral part of the airframe.

The Pratt and Whitney turbo- on the NRDC/NDN Stand No.

propeller engine, mounted S136 at the Farmborough Inter-

zeh propeller.

His efforts in energy con-

servation illustrate that the

problem, an accelerating one, can be cut down to size. The

cost of energy is now an over-

whelming overhead-and there-

fore deserves more attention

saving in 1980.

# How to spend a penny and more than Save It

3M's British outlay on energy conservation has so far been recouped five-fold. Arnold Kransdorff reports

AFTER SEVEN years of everincreasing oil prices British industry is at last coming alive to the fact that a radical change is needed in its approach to energy saving programmes.

Until recently managements Fuel Oil have tended to embark on Electricity programmes that cost little or nothing: they have been reluctant — or perhaps just unimaginative — in effectively accommodating any energy management function within existing <u>h</u>ierarchial

Usually the attempt to cut back on energy bills has been a superficial one. An alreadyemployed manager would be temporarily assigned to energy saving, and, after cursory consideration, he would probably recomend solutions like insulating boilers, turning down thermostats and switching off

to install spray taps in all washrooms, given that few people use basin plugs (savings could be around £48 per tap per year, according to the Department of Energy) but after a token effort, to change the existing managehe would return to his normal duties-until, perhaps, the next

is now, so responsibility for energy has usually been subsumed within other operational areas; it has also commonly been a lateral management function rather than a vertical one.

One company that claims to have found an effective management formula is 3M UK, the British arm of Minnesota Mining and Manufacturing, a diver-sified group making adhesive tape (including Scotch tape). abrasive papers and health care products.

The UK company calculates that cumulatively it has saved more than £2.5m through energy conservation since 1975-76 for a capital cost of around £500,000. Without the energy conservation programme its current annual fuel bill would almost double, to about £2.5m. it claims.

In addition the company claims that in the early stages draconian, but simple; he has it was able to achieve significant advocated that responsibility for energy conservation at little, or budgeting and forecasting be no. capital expenditure. Later pushed down the line to the measures required capital in-shift foreman, whose function vestment, but often the pay- has thus been extended to back period was under two include responsibility, along The sub-committees set plant months, while the cost of some with the production foreman, energy targets and programmes,

3M UK: ANNUAL ENERGY SAVINGS 14.5 30.1 10.0 5.2 7.8 145 45.3 20.0 9.7 12.0 19.5

of the more ambitious schemes will be recouped in about three

In fact the energy conservation programme has proved so successful that 3M has set up an independent consultancy to advise other companies on how to tackle the problem.

3M's energy conservation activities fall within the company's engineering function of plant installation and mainten-auce; Denis Boatfield, the man-He might even go so far as ager of engineering services, is the person responsible for energy saving.

Aside from the technical aspects of energy conservation, one of his main tasks has been ment approach to the problem.

Historically, a shift foreman was responsible to a mainten-In general the subject has ance engineer; he, in turn, never been as important as it reported to the plant engineer, part of whose function was budgeting and forecasting.

Boatfield has two criticisms of this management structure which, he says, is shared with a large number of British companies,

# Factory-wide

In the first place budgeting and forecasting for engineering projects is very inefficient given what it is done on a factory-wide basis rather than on a smaller scale, where there should be less margin for error. Secondly, on the operational level, mistakes during one shift are invariably blamed on the previous shift, he says. "So nobody can really be held responsible.

Boatfield's solution



Denis Boatfield, 3M's energy supremo, checking machinery in the boilerhouse,

"for the

process."
The shift foreman, now called report to a maintenance engineer. As before he is responsible to the plant engineer. whose role in respect of budgeting and forecasting becomes In simple terms supervisory. "putting management in the hands of the shop floor," says Boatfield.

In terms of manpower the change has also meant a reduction in numbers on the payroll. Since the mid-1970s the number of engineers has been cut by almost a fifth to about 130 while those above the rank of foreman have been reduced from

On a world-wide basis 3M has organised its energy programme by formulating a central committee at head office in St. Paul. Minnesota, and central committees in each foreign country: they, in turn, control subcommittees in each manufacturing location. Both central and sub-committees have complete involvement with all operational

The sub-committees set plant

AERIAL SPRAYING

whole production audit savings and report to the follows that the area production central committee.

As part of his new function the area foreman is required to make forecasts of labour and material required to maintain his operational area for a 12month period. This necessarily includes predicting, and adhering to, production outputs, a vital element in Boatfield's for engineering's sake, designs

In addition the foreman controls all technical labour and materials and manages the planned maintenance pro-Boatfield notes that because the the

"Within a traditional manufacturing environment it is a fact of life that a plant manager must be responsible for all functions within his organisation, and this includes engineer-

foreman in a department as now plete responsibility, including engineering. In each engineering project there must be complete production involvement."

Boatfield believes that within the engineering function "it is vital that we avoid engineering strategy to ensure that an which lack maintenance know-economic performance is main-ledge and duplication of equip-tained.

Here is a substitute of the s

He adds: "It is also vitally important that engineers and maintenance groups, when investigating situations which gramme as well as the produc- have caused break-down or tion process to get maximum lack of production, do not blame utilisation out of all machinery, others, or the equipment, for break-down. Problems foreman is closer to the work- should be accepted, put right. face, he is undoubtedly the best then discussed with the per-qualified to make technical sug- sons concerned. This cools down aware that it is now their fault, they take responsibility for the situation."

Boatfield explains that following the energy crisis of ing," says Boatfield. overall function they were requite conclusively to "If we accept this point, it sponsible for controlling costs, rewards are attractive." overall function they were re- quite conclusively that

"At this time it was realised year in 1979. Boatfields' forethat over the years no one had really examined the cost of energy. It was too cheap, and

They were told to absorb the

increased prices of energy by 1974 actual savings on energy

finding alternative methods have ranged from about 13 per

therefore did not particularly influence calculations relative to manufacturing output to the extent that it should have done. One only had to realise the lack of thought in this area to understand that there are very easy ways to improve the situation provided there is determination to examine the situation logic-

Over the years the company has been able to reduce its energy bill in the most unlikely areas. At one end of the scale it cost nothing to reduce the level of lighting during 1977. for an annual saving of £2,000. For an outlay of just under £1.000 there was a saving of about £2,600 by insulating a fuel

In 1978 an infra-red survey, which pin-pointed heat loss, led to savings of £6,000 for a cost of £420. By increasing the efficiency of a boiler at an outlav of £1.800, a total of £18,000 was sliced off running costs.

Elsewhere, hot water was recycled, saving £25,000 in 1978 for an outlay of just £250. All these savings are cumulative.

3M's inventiveness has also extended to finding a cheaper alternative for double glazing in its older buildings which contain a lot of glass. It has researched and developed a new product called P19 solar control film - a clear, flexible plastic - which, when applied to a single pane of glass, " gives improvement double glazing."

#### Attractive rewards

Boatfield says that one of the most important aspects is that energy cost saving programmes gestions for getting rid of the situation and when they are have put the company's engineers in a position of credibility whereby we can ask for and justify further capital expendi-

> "It is now a reasonably easy 1973-74. an edict was given to matter to encourage manageplant engineers that in their ment to invest capital, proving

BUSINESS PROBLEMS BY OUR LEGAL STAFF

#### Maintenance and repairs

I own a house divided into two self-contained furnished flats both let on a long-term basis. Due to exceptionally severe weather in the winter of 1978-79 the plaster on the front of the house all fell away. I have had it repaired, but the Inland Revenue will not agree for me to count the cost as an allowable expense, claiming that it is mainten-

ance and not repair. I cannot understand this as in their Tax Return Guide 1980-81 they list maintenance and repairs as allowable. apart from the fact that at in 1978. Substantial success has also been achieved at the Gorseinon factory, a multi-product plant in Wales, with savings of a fifth in 1977 and least part of the contractor's bill must count as repairs. I am enclosing copies of the contractor's bill and the more than 10 per cent in 1978. letter from the Inspector of Taxes. Do you think I should Since then the company's energy saving programme has

It is rather a pity you did not say how long ago you bought the house, and how long ago you Currently, at a cost of £284,000 (including a £100,000 first let it. If it was first let before April 1975, you may be Government grant), 3M is switching to a direct firing proable to resist the inspector's cess at the tape coating plant at Gorseinon. The company restriction of the wear-and-tear allowance (by 10 per cent of projects that its annual energy savings on this process will the rates), by virtue of the inland Revenue press release of October 13, 1977: "This new basis is being applied to new cases of furnished lettings amount to £67,000 and the savings on raw materials and labour will be £56,000 per year. The amount should be recouped which become assessable for 1975-76 or a later year for the first time. Normally the Inland The company also plans to Revenue do not seek to change the future basis for existing use a direct firing process on the abrasive paper making plant at cases which have been assessed Atherstone, to be brought on for 1974-75 and earlier years, stream early next year. This programme should yield annual savings of about £80,000 on and if the old basis conforms with earlier practice it is to be allowed to continue on a perfuel, £70,000 on materials and sonal basis." This press re-lease was confirmed on June 19 £17,000 on maintenance. If this is achieved the investment last year as Statement of Practice A19. should be recouped in under

The inspector's statement that maintenance expenditure is not The company also managed to save energy, albeit only 4 per allowable under case VI of cent in 1977 and 1 per cent in schedule D is, as you suspect, nonsense. You should ask him 1978, in its regional offices. to send you a copy of the free Boatfield notes that the pre-mises were built within the last booklet IR27 (Notes on the taxation of income from real 20 years so most of the equipment and the buildings are property), and draw his attention to paragraph 20.

It is possible that he may

counter attack, by seeking to disallow the expenditure under paragraph 69(b) of the booklet. Such an attack could probably be defeated, but we cannot be certain from the bare facts

than management has, up to now, been prepared to give it. Installing spray taps is clearly accepted by the Financial Times for a start. From then on it takes the answers given in these columns. a bit more imagination, as All inquiries will be answered by post as soon as possible.

EDITED BY ARTHUR BENNETT AND ALAN CAME

METALWORKING

# Press causes less wear on tools

A BRITISH designed and manu-factured power press offering ciently rigid and precise to take the advantages of highly the larger multi-stage tooling, sophisticated and expensive The deflection caused when the presses at a price all jobbing press is operated makes the

Derek Rimmer, engineering acceptably, manager for Cincinnati's UK The AHA subsidiary in Birmingham, said sary rigidity through a single the new machine, the AH40, gave the flexibility and cost advantages of the workhorses of the industry-C-frame or open fronted machines-with performance of double-sided are already in use at Kompress, machines costing three or four where Mr. Nigel Sturtivant, the times as much.

nsers of small power presses— speed we have been able to the kind of jobbing shops which change tools on what appears, might supply, say, brackets for at first sight, to be a convenseat runners to the major car tional double sided machine." manufacturers, or electrical contacts, were looking increasingly for machines which could use progression tooling—that is, paid to deadening noise with pressing tools in which more anti-noise legislation in prosthan one stage of the pressing Pect. operation can be undertaken. The AH40 costs approxi-Savings in time and labour can mately £15.000, about 3-5 per be considerable, but for the cent more than a conventional small shop the capital outlay— 40 ton C-frame press. £40,000-£50,000 may be too Cinicinnati Milacro

holding up-to-date information about virtually all the NC machine tools, control systems, FURNITURE springs made of IN THE knitting industry it has able for various heights and programming aids and retro-fitting devices available on the woven glass fibres strengthened

the work piece capacity or the

Preliminary studies made before setting up the data lighter than aluminium and, 3M centre indicated that most comcentre indicated that most com-panies choosing NC machines for this duty than SAE 1060 select from the range they know steel. best while ignoring machines that may be better suited to

shops can afford is now avail- machine lean back on itself and able from Cincinnati Milacron, wears the pressing tools un-The AH40 achieves the neces-

piece frame. According to Mr. Rimmer: "The rest of the machine is of the open front concept, promoting rapid tool changeover." The first AH40s technical director, says he is According to Mr. Rimmer, agreeably surprised at the

Mr. Rimmer also pointed out

The Cinicinnati Milacron is on 021-351 3821,

COMPONENTS

the strain

Advantages claimed for

millions of times, non-corrodi-

silence, and low cost. They are

Details from 3M United King-

dom, PO Box 1, Bracknell,

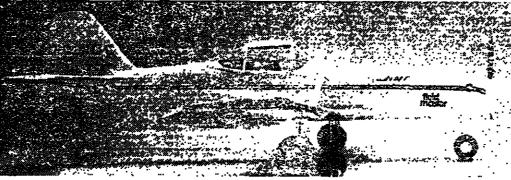
Berks. (0344 58273).

#### Finding the best machine

PRODUCTION ENGINEERS faced with the problem of information about more than selecting new numerically con-trolled machines and supporting provided by over 200 suppliers. services could benefit from a new service set up by the Machine Tool Industry Research Association.

With support from the Department of Industry, MTIRA has established a data centre K market. with special epoxy resins) are
The association has devised a claimed to be suitable for use

classification system to permit on upholstered rocker chairs rapid retrieval of information and on reclining or swivel about equipment which con- chairs. forms to a given set of user requirements—that could mean Scotchply springs include resistthe type of machine required, ance to fatigue after flexing



# Hopper forms part of airframe

and built as an integral part Fieldmaster design, however, anti-pollutant chemicals, of the airframe and a 750 shp represents an original approach. Since the operating of turbopropeller engine are The hopper, which must be at salient features of the Field- the centre of gravity of the Chichester, West Sussex (0243

NDN and the National Rebuting rather less than half the development costs of £500,000. derived from standard produc- strong.

A TITANIUM hopper designed the fuselage structure. The part of the fuselage. This concept will produce an aircraft

tion machines and have a eminently suitable for carrying hopper installed in a bay within fertilisers, herbicides, pesti-

The Fieldmaster programme of reduced size and weight for being financed jointly by a given payload, NDN claims. NDN and the National Re-Although titanium costs in speed of 150 km search Development Corpora-about 10 times as much as rapid rate of climb. tion (NRDC), which is contri-stainless steel for a given Its special feature. weight, it has exceptional resistance to corrosion and-Most agricultural aircraft are fatigue besides being light and

eminently suitable for carrying

# Spraying from the air

wing pylons can be adapted for of each tank. Both the flow of spraying, says Micronair chemical and the size of spray spraying, says Micronair (Aerial) of Bembridge Fort, Sandown, Isle of Wight P036 8QS (0983 406111).

equipment for this purpose con-sisting of two spray "pods" for spraying against flying in-each with lengths of 95 inches, sects to 1000 microns which

diameters of 18 inches and might be needed to sink oil capacities of 50 U.S. gallons.

The spray is produced by the Both pods are controlled from company's standard atomisers a panel in the cockpit.

droplets can be adjusted to suit the particular operation being The company has devised undertaken, the droplets rang-

#### TEXTILES

#### Blows loose fibres away

been general for operatives to positions and which are aimed have the responsibility of keep. at such key points as the yarn ing their machines clean and guides, knitting elements, stopfree from the dust and "fly"

stable fibre yarus. The loose fibres fill the atmosphere and tend to settle on machines which, if they are not frequently "blown-down" will bility, smoothness of movement, soon clog and fall in their efficiency and the quality of the

cloth they are knitting. and inexpensive solution to this major advantages are the avoidproblem has been developed for ance of knitting-in lint slubs and application to existing and new the possible damage caused by yarn creeks. Called Cleanit the loose fibres falling on the system uses fans that are adjust-needles.

motions and feed wheels in the knitting machines. Any loose that collects when knitting fibres are blown away the moment they settle.

The Cleanit concept is a development of Alan Shelton (Winston Avenue, Croft, Leics. LE9 6GO, Phone 0455 282880) machine operating efficiencies are improved as is the quality Now, a comparatively simple of the fabrics being knitted. The the possible damage caused by

Since the operating costs of agricultural aviation now exceed the initial capital equipmaster agricultural aircraft, has therefore been ment costs, favourable across the entire 50 ft span of kerosene or tractor diesel fuel now being developed by NDN made a structural component economic performance requires the wing. These flaps will it will drive a lof-in diameter Aircraft, Goodwood Aerodrome, and its outside face will be a larger, faster and more efficient house the spray dispersal reversing and feathering Hartaircraft. The Fieldmaster is designed for a hopper capacity ensure that the air "downwash" The prototype titanium of 4.500 lb, a high application speed of 100 knots, a ferry-droplets right into the crop. of the Fieldmaster can be seen ing speed of 150 knots, and a

Its special features include auxiliary aerofoil flaps fitted titanium hopper, can use August 31 to September 7.

#### PROCESSING

# **Etching microchips accurately**

system and, it is claimed, ensure that the air "downwash"

directly on to the front of the national

the newest of the micro- away using suitable chemicals.

the market for plasma etchers in the U.S. The machine is marketed in this country by Microsystem Services of High Wycombe. Which already gaseous state. Individual wafers reports interest from chip Instruments and, perhaps most

In the etching process, wafers, selected areas of the silicon The

electronic chip manufacturing The earliest processes used processes and manufacturers etching solutions in the same are already seeking refinements way that unwanted copper from in machine design.

Latest is the Model 706 from dissolved away using a weak Services on 0494 41661 will Tegal, an American company acid. This technique led to provide full details. with a significant proportion of less-than-perfect definition and to undercutting of the silicon

-slices of silicon etched with manufacturers in this country the circuits for memories or such as Motorola, Ferranti, processors—are held in the GEC Semiconductor, General plasma and radio frequency plasma and radio frequency current applied. The resulting interestingly, the Ministry of etched wafers are of much greater quality than wet-etched

The Model 700 used a system

#### • FINISHING

# Paint spray guns

A RANGE of air-spray guns for from 500 cc/minute for the paint application has been lightweight Model 600 (weight introduced by Graco. Wednes-field Road, Wolverhampton Model 800 (weight 600 more than about 10 feet of cable or gravity feed. Two of the coatings. basic models have an air control valve built into the handle for grammes and delivers up to 900 fine control of atomisation. All cc/minute, is designed for three have aluminium bodies metal and wood finshing, small with brass fluid passages,

(0902 51924). They are avail-grammes) which can apply is required for large machines and it is claimed that with it able in three basic sizes and in materials ranging from fine machine operating efficiencies versions for pressure, suction finishes to thick protective Model 700, which weighs 535

finshing jobs, touch-up and Fluid delivery rates vary repair painting.

PLASMA ETCHING is one of surface of the chip are etched to detect the end of the etching process based on the emission reaction chamber. The machines cost £28,565 in

Exhibition [

#### SAFETY Trip wire adds safety A TRIP-WIRE system to stop

lathes and other machine tools quickly in an emergency has been developed by J. & T. Electrical Controls, Pepper Road, Leeds (0532 716108). The system is claimed to be fail-safe and to be suitable for use alone or in conjunction with the company's JeTbrake emergency brakes.

A plastic-covered steel cable runs along the front of the machine tool and is connected (weight 600 more than about 10 feet of cable it is recommended that a tripswitch be fitted at each end. The contacts on the trip-

switches are arranged so that THE supplier of the lames the power circuit is interrupted referred to under this heading direction. It is also interrupted

# Be in control with Controls for industry

#### TRANSPORT

#### **Dual-mode** trolleybus

THE prototype of a double-deck trolleybus for Sigma Power favourable across the entire 50 ft span of kerosene or tractor diesel fuel. Corporation (a subsidiary of Anglo-American Corporation of South Africa) is now nearing completion at the Telford, Shropshire, works of Quest 80. The trolleybus is due to enter

service with the Johannesburg Municipality later this year. It will be able to operate using an overhead supply system or operate independently at service speed for an indefinite period making use of an on-board diesel electric generating pack. This "dual mode" design overcomes many of the draw-backs encountered with earlier trolleybus operation, says Quest 80, in that the vehicles can

continue to operate during power failures and can operate suburban or lightly loaded routes without the heavy capital expenditure involved in the construction of overhead supply lines and power distribution. British Brown Boveri and

Brush Electrical Machines (a Hawker Siddeley subsidiary) have been working with Quest on development of the electric traction and control equipment. In addition to the present project Quest is engaged in initial design work on a 17 or 20 metre long, 200 passenger, articulated trolleybus which will be "dual mode" and have provision for automatic steering braking and power control for operating in reserved carriageways to enable it to equal the speed and frequency of a tram. Details of the projects can be obtained from the company at its headquarters at 17. Hollow Street, Great Somerford, Chip-

penham, Wiltshire SN15 5JB. (0249 720 346.) • PACKAGING

#### Improves look of labels

when the cable is pulled in any on August 22 is P. P. Payne direction. It is also interrupted Haydn Road, Nottingham (0602) if the cable goes slack or is 607221) and not J. L. T. Smith of Walsall as then stated

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# Unions fail to agree on nuclear weapons policy

BY CHRISTIAN TYLER, LABOUR EDITOR

TUC over nuclear disarmament, would deserve to do so." which could have important consequences for the Labour tatorships only respect others. Party Conference debate in when they speak from a posi-October, was being fought out tion of armed strength." It is Brighton yesterday, ahead of went on to accuse the Soviet next week's annual Congress:

An attempt to get the unions to agree on a common line for the debate next week seemed to be failing last night. The focus of the struggle is the transport workers' union, which has put down a motion strongly implying that Britain should unilaterally renounce

Its chief opponent, the engineering section of the Amalga-mated Union of Engineering Workers, is determined to keep the TUC to its present policy of supporting mutual disarma-

At one stage during a meeting of the TUC General Council yesterday, it appeared that both sides were ready to try to agree a draft composite motion on the issue which would fudge the difference be-tween them. But neither could agree on the interpretation that would be put on such a motion by Mr. Tom Jackson, the TUC spokesman on international affairs, when he opens the debate on Thursday.

The argument was intensified published a statement strongly supporting Britain's Nato com-mitments. If the Labour Party

POLICY battle inside the millions of workers "and it Czechoslovakia, on the grounds His statement said: "Dic-

> went on to accuse the Soviet Union of repression, and said that ti give up nuclear wea-pons and the Nato alliance might salve the conscience of the pacifist minority and encourage fellow-travellers," but it would also encourage the Soviet Union in new military adventures. Britain would be "at the mercy of Russia's good intentions."

human rights in general.

Mr. Chapple said of the Polish

might be foolish enough to

believe that they could go to

Poland and learn something. It

was, he said, a sort of a holiday

for the TUC visitors, "if you

think it's a holiday to see Polish

workers having their heads

The 112th Congress of the

TUC may be free of contro-

versy on other major issues,

because most of the delegates

energy will be devoted to lambasting the Government for

its social, economic, and industrial relations programme.
But there could be some

posite motion from two right-wing unions in favour of

would certainly encourage Mr.

James Callaghan, the Leader of

the Opposition, who addresses

the conference on Tuesday, to renew his efforts to work out

a deal with the unions on pay

and prices before the next

planning with a Government. If the

were successful.

cracked open."

Labour

motion

yesterday that people

Meanwhile, controversy about the TUC's forthcoming visit to Poland was revived. The Civil and Public Services Association, currently under right-wing control, has put down an emergency motion saying that the visit should be called off. The General Council will discuss the motion today, but in the light of previous statements will probably seek to have it withdrawn. Two other emergency motions on Poland merely seek to put Congress's

moral support
Polish strikers,
Electricians—whose
Mr. Frank Chapple—has strongly criticised the proposed visit, is not seeking to stop the delegation. motion asks the Congress to supby Mr. Terry Duffy, president port the recent message of of the engineers, who yesterday encouragement from the Interencouragement from the International Metal Workers' Federa-

tion to the Polish strikers. But the union is being asked Insulation contractors ready for talks on national agreement

BY JOHN LLOYD, LABOUR CORRESPONDENT

CONTRACTORS and unions who carry out insulation work on large construction sites have

agreed to take part in talks on that the matter is already in new national agreement hand and that the TUC should aimed at improving labour be concerned specifically with relations and productivity The agreement to talk is a ing committee which is con-

break-through for the construc- ducting the talks on a national tion industry, which has been plagued by differing wage and bonus rates, among which those set by the insulation contracts have been the most trouble-

The long-running inter-union dispute at the Isle of Grain, which has been referred to the TUC's General Council meet-ing next month, has at its core the high bonus rates paid to themal insulation engineers, or

in the talks was made in a letter members. from the national joint council representing both sides of the insulation industry to the chair-

site agreement. the Thermal Insulation Con- the month. tractors Association, said that

However, the two unions in tricians in separate negotiations volved—the Transport and early this year. General Workers Union and the General and Municipal Workers serving electrician was £2.70, Union, which represent laggers though union negotiators have in Scotland and England said that they could rise as high respectively-have still to be as £3.50

ggers. convinced of the benefit of the The commitment to take part national agreement to their

The talks on the national site agreement itself, which are largely between the Engineerman of the provisional negotiat- ing Employers Federation and the craft unions, are said by both sides to be going well. It is expected that an agreement Mr. Charles Allen, director of can be reached by the end of

Discussions on the common the agreement to talk "had no hourly rate are taking as their strings attached." basis the rates agreed by elec-

The rate agreed for a time-

# Bank staff accept 17% pay rise

BY NICK GARNETT, LABOUR STAFF

association at the Bank of England have reluctantly accepted a 17 per cent pay increase, salary increases do not increased per cent below the improvements made to the overall settlement for staff in don weighting allowances. the English clearing banks.

The management, in negotiations with the Bank of England Staff Organisation, refused to the Advisory, Conciliation and move beyond its 17 per cent Arbitration Service's conciliation offer. It says that this falls machinery.

with the Government's 14 per Mr. Ian Patridge, the staff cent cash limit for the last pay round, because of staff reduc-tions over and above those achieved as a result of exchange control relaxations.

The Banking, Insurance and Finance Union and the component parts of the new Clearing Bank Umon which operates in three of the five clearers secured a settlement in April after fairly difficult negotiations, which in total will probably mean a rise of more than 25 per cent on the banks' wage

This includes the effects of an arbitration award for managers, increases in London weighting and improvements in holidays and overtime still to be agreed.

The overall settlement in the

NEGOTIATORS for the staff per cent Bank of England settlement, which operates from improvements made to the Lon-

The Bank of England Staff Organisation had begun moves to take the pay issue through

association's general secretary. said vesterday that this course the staff association did not believe that it held out the possibility of improvements in the

This belief had arisen because of the size of recent public sector pay settlements, such as those for school and university teachers and industrial civil servants.

ment affects about 4,000 staff. to clearing bank staff in the Channel Islands were accepted yesterday by the Clearing Bank Union.

The offer, still to be accepted by the Banking, Insurance and Finance Union, involves an clearers, however, included allowance worth 11 per cent of rises for the basic clerical grades salary in Guernsey and 91 per allowance worth 11 per cent of only slightly higher than the 17 cent of salaries paid in Jersey.

garage and a section of the

# Work stops at Lithgow yard

strong workforce at the Scott Lithgow's Kingston Glen shipbuilding yard walked out yesterday, halting work on a £60m emergency support vessel commissioned by

The dispute, which the company said involves mainly boilermakers and plumbers, is over special allowances for work on difficult or dangerous sections of the vessel.

Shop stewards at Kingston Glen had recommended an overtime ban when negotia-tions with the management broke down earlier in the week. Instead, workers voted to "black" sections of the ship. When these sanctions

were applied, a confrontation developed leading to a walk-

Mr. Cameron Parker, Scott Lithgow's chairman, said that he believed the dispute would be settled shortly. Scott Lithgow, part of British Ship-builders, is the largest shipbuilder in Scotland, with a total workforce of around

# supported neutrality, he said, it to withdraw a motion supporting would noise the confidence of the Charter 77 dissidents in Communists call for defiance of law

BY OUR LABOUR STAFF

THE COMMUNIST Party will today urge the TUC-affiliated unions, whose leaders are gathering in Brighton for this year's congress, to defy the Government's new Employment Act.

The party says that the lack of trade union success in resisting plant and other closures over the past year and the failure to turn trade union opposition to the Government's labour law proposals into mass campaigning "demands the clearest rejection of the law and mobilisation at workplace and national levels against its use."

An article by Mr. Mick Costella, the Communists' national industrial organiser, published today in the party's fortnightly journal, states that trade unions art unanimous in to the law. The question to be decide dby the congress will be the TUC's contribution to the fight against

The prospect of a major public division between unions over the question whether to comply with the Act has been removed now that an amendment threatening expulsion from the TUC for acceptance of the law has fallen, but there are still sharp differences of ponion over the response to the Act.

BY PAULINE CLARK, LABOUR STAFF

LOCAL government union

leaders have condemned as

"fundamentally ill-conceived"

new government plans for changing some of the controls

on planning and development for building work.

The National and Local Gov-

ernment Officers Association,

which warns that the changes

could lead quickly to a deterioration in the environment, has also called for an extension

to the period of less than two

weeks which, it says, it has been

trol - Policy and Practice, due

-as "a clear attempt to weaken to be distributed in September, the system of planning and development control which has

made such a valuable contribu-tion to the physical environ-

ment in which we live."

In a letter to Mr. Michael

given to study the plans.

The miners are among those advocating industrial action, if necessary, against the Act. But the engineering workers, for instance, have already declared their acceptance of the provisions of the law and their readiness to take up the Government's offer of public funding for union ballots.

The Communist Party gives support, unsurprisingly, to the miners' stance. It is critical of the moderate engineers' and electricians' unions, accusing them of being "the Tories' Trojan horse" over accepting money for ballots.

The price of gaining the 30 pieces of silver " offered by Mr. Employment James Prior. Secretary, "is abandonment of all-out opposition to the anti-

The article also criticises the TUC for failing to bring forward for debate at next week's and Northern Ireland.

It welcomes the likely re-placement of Mr. Joe Gormley, the miners' president, by Mr. Arthur Scargill, the left-wing Yorkshire miners' president, as one of the National Union of Mineworkers' two members on the TUC general comacil.

Mr. Geoffrey Drain, general

secretary of the union, also joins the local authority associa-

tions in rejecting criticisms of

present planning and development control.
"Quite naturally, private de

velopers and other commercial

interests would like a reduction in the constraints on their activities," he says. "But the self-interested pleadings of entrepreneurs cannot be recorded as objective views as to

garded as objective views as to what is best for the community

Mr. Drain warns that a reduc-

tion in the present controls could lead to a free-for-all which

He rejects suggestions that local authorities are inefficient

and dilatory in planning mat ters, and that a large quantity of economic activity is locked up

in the processing of planning

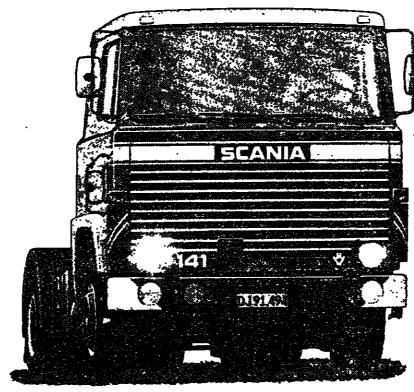
as a whole.

generations ahead."

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# Nalgo to vote on taking claim to arbitration

Heseltine, Secretary for the Environment, the union describes the Government's Draft Circular on Development Con-

Town hall staffs oppose

planning control changes

BY OUR LABOUR STAFF

REPRESENTATIVES of 500,000 tion by the union's local govern-local government workers will ment committee to go to local government workers will decide today whether to go to pay claim or to take industrial

The decision will be taken at a special delegate conference in London of about 1,000 members of the National and Local Government Officers Associa-

Calls for industrial action in the face of a 13 per cent pay offer by local authority emplovers are contained in five motions-from Oxford County. Knowsley, Leeds, Newcastle and

Strong support is expected, increases however, for the recommenda- per cent.

arbitration-a method of solvarbitration on their 20 per cent ing the differences between the two sides that the employers have indicated they are prepard to accept

The committee's describes the employers' 13 per cent offer as totally unacceptable and argues that it will seriously erode the pay relativities and living standards of members and is an attempt to claw back gains from a comparability exercise."

Four union branches will urge acceptance of arbitration but call for interim pay increases ranging from 10 to 13

GL 3-Door £6,480.00; GLS 3-Door £6,775.00; GLS 3-Door Power steering, £7,080.00; GLS 3-Door Power steering, sunroof. £7,400.00; GLS 3-Door Power steering, automatic. £7,500.00; GLS 3-Door Power steering, sunroof. £7,500.00; GLS 5-Door Power steering, automatic. £7,600.00; GLS 5-Door Power steering, automatic, fuel injection. £7,905.00; GLS 5-Door Power steering, automatic, fuel injection. £7,905.00; GLE 5-Door Power steering, 5-speed manual, sunroof. £7,900.00; Turbo 3-Door Power steering, 5-speed manual, sunroof. £10,700.00; Turbo 5-Door Power steering, 5-speed manual, sunroof. £11,100.00. Also available - 99 RANGE · From: GL 2-Door Saloon Manual £5,275.00; GL 4-Door Saloon Manual £5,760.00; GL 4-Door Saloon Automatic, twin carb. £6,270.00; Turbo 2-Door Manual, fuel injection. £7,940.00. All prices and specification correct at time of going to press.

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accurately and smoothly through the length of the trunk With a Stihl portable sawmill farmers and estate owners are turning more trees into profit. Timber which would that are inaccessible to have previously needed transport can now be felled expensive contractors lifting and turned into movable, gear and heavy vehicles to profitable timber slabs of any move it to the mill can now be thickness up to 15 inches. converted 'on site' into easily handled planks. for a demonstration or

Once felled and limbed the irregular outer bark is sliced away leaving a flat surface to guide the Stihl mili as it powerfully

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# FINANCIAL TIMES SURVEY

Friday August 29 1980

Estate Management and Forestry

Times are growing harder for the British farmer. Costs are rising ahead of profits and returns from forestry are lower than from pastoral farming. After a period of rapid rises, however, land prices are levelling off and institutions are again looking at the market.

# Farmers face a bleak future

By John Cherrington Agriculture Correspondent

FOR THOSE involved in the bleak. Prices for all food products are now more or less equal throughout the Com-munity except for West Germany and there is no more opportunity for devaluing the Green Pound to raise prices

they are expected to rise by 20 per cent towards which the tage would give British Community Review has re-farmers a secure ascendancy couped at most 4 per cent and over all others. for milk and the equivalent of theoretical 2 per cent.

1973-78. During this time the and not of farming skills. prices of farm products were gradually readjusted upwards to EEC levels and costs in general did not follow so

FOR THOSE involved in the in investment in machines and Euclosure Acts, which wiped business of farming and forestry buildings, in the delusion that out the smallholders and the future looks difficult, even this state of affairs would go peasants and which encouraged on for ever.

Politicians also encouraged the belief that British farmers were as efficient as any in the world and certainly a good deal better than those in the rest of the Member States where further.

At the same time costs are still accelerating. This year soon as there was free trade in food, this competitive advan-

essential element in any man-

complaint by the National spelled out more fully. In broad Farmers' Union, one that it has terms the technical abilities of been making for some time. British farming; yields per cow, But although there may have per acre and so on are roughly been some element of crying similar to those in equivalent wolf in earlier years, this is the areas in Europe. Where there reality now. The facts of this are differences, such as the economic landmine had been increased yield of sugar beet concealed by the transitional in Europe, or of grass in the arrangements for joining the West of England, these differ-EEC over the years from ences are of soil and climate, In fact the proportion

good arable land is probably less in Britain than elsewhere in Europe, and even the grassland areas are no better This did allow for consider- advantaged than say Western able profitability, particularly France. Only in farm size is in the arable sector which there a marked difference, enjoyed a comparative boom. British policy diverged from The profits made then led to a that of the rest of Europe in substantial rise in land values, the 18th century with the in investment in machines and Enclosure Acts, which wiped peasants and which encouraged

the provision of bigger units. This in an industrial context would be the very basis of com-mon sense. But in farming terms it could in the end be

#### Survival

The bulk of British production comes from an average farm employing up to four men including the farmer. The This is a constant burden of agement study it should be fight for survival the European no other road to follow.

farmer will probably win. Studies made in Ireland, France and Holland have shown that in dairying, farmers in those countries have a very decided cost advantage over those in Britain. These may be negative advantages in that they reflect a low input, almost subsistence type, of farming, but they are very real, particularly in the livestock section.

I believe that the impact of this competition will be felt first of all in the livestock sector, particularly in pigs, poultry and dairying, and may in the end come to affect the arable sector as well. It is a challenge which is particularly hard to counter with the more sophisticated aids to management which are available nowa-

The plain fact is that the determinant of farming survival in a difficult time is the ability of the farmer to endure a considerable degree of hard graft ver all others.

average European farmer emand hard living, either because
Because this factor is an ploys only his family, which he wants to go on farming whatmeans that in a cost cutting ever happens, or because he has

In the field: an FMC livestock officer (left) discusses with a Midlands farmer the marketing of his beef-Below: Velcourt, the partnership farmer, uses a helicopter to inspect crops. Five hundred acres can be covered in 20 minutes



# Funds look again at land market

waited for it to cool

It now seems to have done so. The latest figures from the Ministry of Agriculture for vacant land prices in the three months to June show prices achieved of £4,377 per hectare. In terms of the Ministry's land index, in which 1973 is 100, the June level was 227, a mere seven points higher than a year earlier. The Ministry's

accompanying note says that there has been no clear trend In fact the market seems to

have been testing a peak. In the May/July quarter last year

There is a distinct air of

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Strutt & Parker

farming in London's

which they mostly stood back autumn. So the early summer and, in the words of one of figures for this year show only figures for this year show only returns entail considerable relia return to the previous

More recent sales have confirmed the Ministry's figures. Strutt and Parker in August reported the sale of 10,000 acres in Norwich to the ubiqui-" anonymous fund." The vendor was a subsidiary of Robeco, the Dutch institution, and the price was around £1,800 an acre.

These prices are certainly less heady than they have been for a few years which might tempt institutions back with some consistency into a market of which they have become rather chary. Owning farmland, from an

THE FUND managers appear prices reached their 12 month institutional point of view, has farming had a future, has only to be eyeing the farmland peak of £4.344 only to fall to two main disadvantages: it proved the institutions fears market again after a year in around £4,000 by the late demands a lot of management well founded. time and the negligible initial ance on future growth projec-

> In the past decade, farmland rentals have repaid the hopes invested in them. The last two review periods in particular (covering six years) have each produced significant growth. Initial yields of 2 and 3 per cent handsomely But it does not take a

> specialist to see that such increases cannot be permanently relied upon. function of the early days of "harmonisation" with the EEC as farm prices were brought up to the level of European counterparts. Farmers' profits rose in line and the landlord benefited in his turn.

> Now that "harmonisation" has been largely achieved and injections of funds into the community's agricultural sector are not just less needed but politically unwelcome in some quarters, the bonanza is over.

#### Unspectacular

From now on, therefore, the institutions know that they can expect unspectacular rent reviews and a capital appreciation curve which will flatten out somewhat as a result.
It is noticeable that the funds

have not been tempted into putting more than 5 per cent, on average, into agricultural land—a sign that the managers are not always led to excesses by the latest fad.

More significantly for the

future health of their funds, they have also steered pretty well clear of in-hand farming despite heavy blandishment over the years. Since the early 1970s, fund managers have been exhorted

to improve their returns on agricultural land by combining the landlord's rent with the profits of a farming partnership usually topped up by the financier's interest on loans for capital investment in the farm. A few institutions have entered partnerships with working farmers or have appointed their own managers. Most claim

way of a valuable experiment which teaches them the problems of their tenants on the main portfolio. A few more have lent farming tenants working capital on commercial terms but none, so far, has developed this business further than spasmodically.

that the experience is more by

Where the institutions have baulked is at full scale corporate farming. Throughout the past decade they have argued that they lacked the expertise to enter the farming business on a professional commercial

The recent sad news of the break up of Fountain Farming. the Stewart Wrightson subsidiary, established to persuade institutions that

In 1977, Fountain Farming had to sell its land to the Electricity Council pension funds. The cost of carrying the interest on the money borrowed to buy 25,000 acres purchased during the early 1970s was said to be destroying an otherwise healthy business—Fountain Farming's tenant farming operation.

The electricity funds were persuaded that Fountain Farmng was a good investment, profits from which would top up the return from rents paid by Fountain as tenant on the funds' land. So the pension funds took a 25 per cent stake in Fountain For the past year, Fountain has been trying to sell its entire business, which has tenan-cies on 14,000 acres (operations on another 10,000 acres in

Woles and Scotland had previously been closed and tenancies relinquished). buver was forthcoming for the operation as a whole and in August Stewart Wrightson had to buy back the electricity funds' stake and sell off tenancies piecemeal—some to its own executives, some to landlords.

Stewart Wrightson, howover, is still involved in institutional land ownership through its management of 160,000 acres of forest land, mainly in Scotland. Fountain Forestry is said to be making profits of about £200,000 and a return on capital em-ployed of over 20 per cent. Forestry is becoming increas-

ingly popular with institutions but not, unfortunately, in this country. Growing cycles are too long in Scotland even for the 40-year pension funds and the recent spate of closures of pulp and paper mills servicing the Scottish Highlands has blighted the market further.

**Christine Moir** 



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# Timber growers face a buyers' market

peyer taken seriously until the First World War produced such a scarcity of timber, previously imported, that the Forestry commission was started to make sure that such a thing uewer happened again.

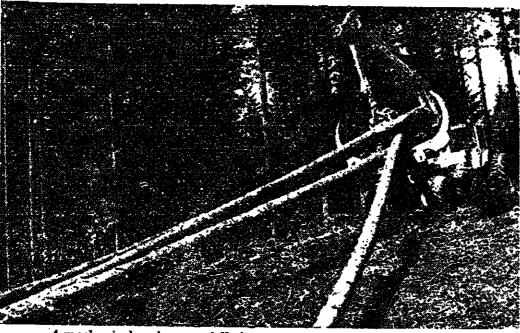
The previous time Britain had suffered a shortage of timber was in the late 18th century when Napoleon was keeping us out of the Continent, The British Government of the day colonised the Australian mainland, together with Norfolk Island, to make sure of the Norfolk pines with which to make ships spars.

The Forestry Commission over the last 60 years has planted some 2.1m acres of trees, largely pines, and the private sector, particularly since the last war, has contri-buted roughly the same. Private sector planting, though, has largely been a consequence of high taxation which attracted investment by rich individuals who would otherwise be forced

u ever

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ETUR



A mechanical grab moves felled trees in the Solway Forest, Dumfries

to the tax man.

Neither the Forestry Commission nor the private investors have had the incentive of a viable market for their timber for the simple reason that it not exist. market is dominated by imports, and these seem to be increasing their hold on the market, both for timber in the round and for finished and semi-finished products. Some of this is a reflection of quality: some northern countries can grow better trees than can most of the British Isles.

But this again should be qualified. It is a truism that the best trees grow on the best land. But in Britain the returns from land devoted to farming pay the major portion of have always been better than

their income invested in trees from that under forest. So when which was perfectly sensible 50 it came to securing land for years ago, has been upset by planting, the Forestry Commisthe facts of modern technology. sion and private foresters had to compete against farming interests which could outbid them for all but the worst of The British land in some of the most inaccessible places.

Even today it is possible to make a case for almost any form of pastoral farming which would show a better return than forestry, given the same investment in inputs.

Under pressure It now looks as though the market for indigenous timber is under pressure. Part of the huge pulp mill at Fort William is to close. This was built par-ticularly to absorb the product the Scottish plantings and

its closure is a bitter blow to foresters in that area. Other mills and conversion facilities are either closing or have been much reduced to the extent that sales of timber for the present are into very much of a buyers' market. It is probable that such sales as have taken place have been at or below the costs of growing and extraction.

The expansion of private forestry was also badly hit by the 1979 June budget which, by reducing very high rates of tax, gave rich men the alternative enjoying their marginal income themselves, rather than leaving it in trees for their

posterity to cash in.
One of the advantages which used to be claimed for forestry was that it would give employment in areas where there was little alternative. This hope,

The system of ploughing before planting means that no weeding is necessary in the majority of plantations. This, and the fall off in pulp wood sales, means that once the trees are planted they may not need the applica-tion of human labour for the best part of a lifetime. Forestry is now a matter of mobile gangs, working a long way from

It does seem that the Government has a responsibility here. It is doubtful if the proposed sale to private interests of a proportion of Forestry Commission plantations will do much for the Government's finances, which is its prime aim. But it will most probably undermine confidence in the future of forestry and its related

interests.

No industry can operate successfully against the sort of competition that timber growers and users have to face from imports. It does not seem sensible to let the processing industry be crushed to the extent that the only outlet for some forms of timebr has been its export to Scredinavia and elsewhere as a raw material for re-export back to this country.

This question becomes more urgent every year as the trees planted in past years come close harvesting in increasing quantities. Simply to support an attenuated Forestry Commission is not sufficient for the provision of what is a vital raw

John Cherrington

# No sure way of budgeting

accounting, and it is doubtful if anyone ever will, simply because a farm's basic prosperity is in the end controlled by the weather and the instability of markets. This means that an accurate budget is extraordinarily difficult to formulate. Yields can vary by at least 20 per cent annually due to causes right out of the farmers control, and this applies both to crops and livestock.

In the same way, inputs can also vary widely. One year soil conditions and weed growth could be so favourable that a crop will be grown very cheaply indeed. But the following year the costs of the operations could be doubled. There is no cast iron rule for a farming process. The farmer has to do the best he can in the circumstances of the time.

In spite of the fixed prices of the Common Market, returns can vary very widely from what were expected when the farming policy was decided. For instance, total returns from sheep and cattle are actually less than they were at the same time last year, while grain prices are very little different.

For this reason most farmers budget their forward commitments and returns for very wide margins indeed, in the knowledge that almost everything could go wrong, and most prob-

Another problem is in the practical impossibility of deter-minging the relative profitability of the separate branches of a farm. The difficulty here is the allocation of overheads, because on a mixed farm there are quite long periods when, because of the weather or other causes, the men have little to do but wait for an opportunity for produc-tive work. To which particular item should their cost be

debited. There are systems of enter prise costings, but they are extremely complicated to operate and not really practical to apply may be the one that he is best on the average farm. The alter- at doing. If he should be is the gross margin system which averages out the total fixed costs and total overheads on an acreage basis and then costs each crop on the basis of the actual inputs; seeds,

NO ONE has yet devised the variable cost. The difference ideal mechanism for farm between the sum of the fixed between the sum of the fixed and variable costs and the total return for the crop gives the gross margin.

هَكُذَا مِن لِدُامِلِ

This system, which is very widely used, is a valuable guide in the absence of anything else but does not go sufficiently deeply into the fundamentals of farm management. A simple example is a farm where the rotation is dependent on a grassland\_break in the arable system. The return from this grassland is quite often much lower in gross margin terms than that from the cropped land: so much so that farmers tend to disregard the rotational benefits of a grass break and press for more instead.

#### Essential

This may or may not be technically wise, but the point that in this, and many similar cases, the grassland break is an essential factor in producing arable crops and in reality some of its expense should be debited against the arable crops which are making such a good showing.

Even complete enterprise costing accounting will fail to give the right answer to this particular conundrum. But the spread of computer services and other aids to calculation can set out the alternatives in a much shorter space of time than was ever possible before.

But the most modern of business aids to farming must take into account the human factor. The average farmer is an individualist running his own show and of necessity doing more and more of this practical work himself.

He is probably perverse in that he is better at some things than others, and although, for instance, the computer may say that one particular branch of business should be dropped, it induced to drop it there is no certainty that what is left will be in any way improved because he may be tempera-mentally unsuited to it.

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tively small size of the aver-age English farm, the scope for the employment of either man-techniques which frequently last necessarily limited. Few farm businesses have the margins within which to insert a management structure in the conventional sense. The majority of farmers are their own managers, and as the pressures on then increase, so they will be more involved in the practical details of their businesses.

This is already the rule in many overseas countries. In New Zealand and Australia, for instance, the manager of some quite large units is often the only man to be employed. In these cases there is scope for the provision of some essential auxillary services.

Most farmers dislike bookkeeping intensely, and a whole gamut of consultancy services is available for providing the specialised knowledge required in book-keeping, cash flow calculations and so on.

These services are being extended to technical guidance as well, in the use of chemicals and fertilisers. There is a plethora of choice with the Advisory Service, ADAS, merchant companies and private consultants all looking for the farmers' custom. This advice all has to be paid for in the end: even ADAS now makes a charge for some of its services. charge for some of its services. Many of these people provide skills which in the old days the farmer provided himself. he now no longer has the time

before being superseded. Owners of the larger estates

can of course, if they have their

farms in hand, afford, because of their scale, to employ qualified managerial staff. In earlier days they used to absolve themselves of this by letting their farms. But now virtual security of tenure has made this unattractive, and they have solved their management problems by farming in partnership with those who in other circumstances would have been their

#### Squeezed

There are many of these farming partner companies, the best known pioneer being Velcourt, which can provide the working expertise for large areas of land. It appeared to do well enough in arable farming up to the last couple of years, but now that all farming costs are pressing upwards, the margins of profit to be shared between the partners are being

One of the advantages claimed for the spread of partnership farming, and the involvement of big companies generally, was that it would provide opportunities for the employment as managers of the host of young men and women who leave agricultural colleges every year and who have really no hope of farming on their own.

This is true as far as it goes But it is doubtful if these organisations can develop much further. Where employment is likely to be available is in the consultancy services aforemen-tioned.

farmers have been trained to evaluate the complex techniques which are offered them today. Even if they had once been to college, the lessons learned there will have been superseded several times over since their graduation.
It does seem that the farm is

becoming a battlefield with the salesmen of different nostrums fighting to sell the farmer the maximum to get the best results while the poor chap knows that the only criterion he has is whether the treatment, such as it is, will actually return a profit over its costs.

This is no way to denigrate those who provide the essential ingredients of successful husbandry. But on the other hand they are seldom in a position to give a categorical answer. The most worthwhile adviser

to employ is one who can give a definite answer on this point. Such paragons are very thin on the ground, even if they do exist, but their employment would be guaranted once they had proved themselves.



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# The Polish challenge

BY IAN DAVIDSON

EVER SINCE the Soviet Union Europe is not totally monospeculated how long the structure could last: could a system of centralised physical planning really deliver the goods in an age of extreme economic and technological complexity, and could the Russians seriously expect to be able to ensure that their satellites would indefinitely subordinate themselves, not merely to Soviet national interests and to Soviet foreign policy, but also to a slavish implementation of the political and economic in this direction. model? Events now under way in Warsaw and Gdansk may not provide firm answers to such speculation, but they may well throw an interesting light on the problem.

#### Tensions

time these questions have been dramatised on the ground. Hungary in 1956 and Czechoslovakia in 1968 both bore eloquent witness to the inherent tensions in the systems imposed hy the Soviet Union, and even more eloquent testimony to the Russians' determination that, if their satellites were not pre-pared voluntarily to submit to the Soviet model they would be made to submit by force. One cannot be sure that the Russians would not be prepared to go to the same lengths again if they felt that the situation in Poland had got out of hand and would or might threaten Soviet control, there or elsewhere in

But they must be very reluctant to do so. Poland is a claim to the contrary. Autonomuch larger and more populous mous and genuinely democratic country than Czechoslovakia, trade unions must turn out to Polish hatred of the legendary. Naturally, there can be little doubt about the outcome of a military intervention, but if there were any fighting that this is the only way to there could be a bloodbath. regain a measure of popular Coming on top of Afghanistan, legitimacy for themselves, as such a sequence of events would have quite unpredictable consequences for the foreign on Poland's vulnerable economy, policy of the Atlantic Alliance countries in general, and of the U.S. in particular, whoever is elected in November.

Of course things may not get that bad: the question is, how are bound to be suppressed in far can they go and still remain within the limits of Soviet incompatible with party monotoleration? After all, eastern poly of power.

Lindicates programme in

6.40-7.55 am Open University

(Ultra high frequency only). 10.00 Noah and Nelly in Skylark.

10.05 Jackanory. 10.20 The Perils

of Penelope Pitstop. 10.40 Take

Hart. 11.25 Cricket—The Corn-

hill Insurance Centenary Test:

extended its grip on eastern lithic, but shows significant Europe, western observers have diversity of methods and of policies.

> Poland itself has a largely private agricultural sector, and a strong Catholic church. It would be surprising if the Russians could long tolerate genuine democracy in the Polish trade union system, let alone the establishment of genuinely free trade unions. But it must be assumed that Mr. Gierek got Moscow's blessing before he made an offer On the basis of the record

elsewhere in eastern Europe it would seem that the sine qua non for the Russians is the maintenance of authoritarian political control by the party machine and the central state apparatus. Hungary and Romania have diverged from apparatus. This is not of course the first the basic model in economic time these questions have been and foreign policy, but they ramatised on the ground have not permitted political freedom. Dubcek overstepped the line by encouraging greater political liberalism: Gierek, by contrast, is trying to save the situation (and himself) by conceding as little on the political front as he can. His task (and that of the strikers) has been made that much easier, in that their challenge to the state has been conducted with the greatest quietness,

#### Legitimacy

But that the strikers are challenging the state and the party apparatus can scarcely be in doubt, whatever they may be rival political structures to the party. It is tempting to hope that the authorities may believe that they can live with such a change, on the grounds well as being the only way to limit the damage being inflicted just as it is tempting to hope that Russian views on what is acceptable may have evolved. My own guess is that any political concessions to the strikers time, because they would be

Newyddion. 10.15 Valentine's Night. 10.55 News for Wales. 5.55 Nationwide (London and +10.56-1.00 am The Late Film:

6.30 How Bugs Bunny Won the

10.15 Living Legends (London and South-East only).

5 Something necessary

notion (6)

Ridley (7)

chances (6)

tea (5)

6 Opposite directions com

A window in college (5)

the college grounds (6)

14 Taxes on colours in the

regiment (5, 5)
17 Exhilarated and depressed

22 Beer-can you beat it? (6)

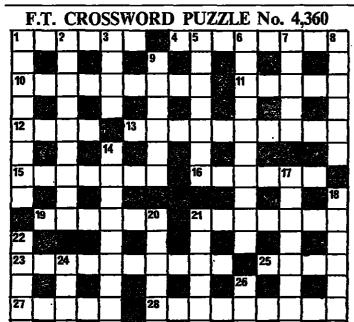
24 Hackneyed observance after

rising commanders (4)

Solution to Puzzle No. 4,359

like the duke's men (2, 3, 4)

bined in one instrument (10)



1 Despatched back first to 4 Supplements when the daily's abroad (5, 3)

10 To exclude artists in the German river is to be disconcerting (9) 11 Celia is not the girl she was

12 Would you have a new life? Willingly (4)

13 On and off he employs the 21 down (4, 6)

15 Spots like Poirot (7) 16 It was the way out for Moses 18 In the match the sapper

shows concern (8)

\_s 20 He "lit a candle" with 19 "How happy is the blameless lot" (Pope) (6)

21 Any Brit can commute in 21 Magistrates include the right this way (2, 5) 23 All things considered we're

streakers in it (10) 25 An advantage but it may cost the batsman his wicket 26 The continuing story of

27 Learning about one French river (5)

28 Mark-must you be a forger? (4, 1, 4) 29 Detention at the Queen's is

not recommended (8) 30 Expression of annoyance suggested by hole in one's sock (4, 2) DOWN

1 A boy among these in an Art School (3, 5) 2 "Content - his native air in his own ground" (Pope) 3 Loan requested by Antony

Dinky Dog. 5.10 Hey Look . . . That's Me! 5.35 Fred Basset. 5.40 News South-East only). 6.20 Sportswide.

6.55 The Awakening Land. 9.00 News.

9.25 Starsky and Hutch. 10.45 Regional, National News. +10.50 The Late Film: "Sing As

We Go," starring Gracie

England v Australia. 1.30 pm
Bod. 1.45 News. 2.05 Cricket:
The Centenary Test. 4.18
Regional News for England
(except London). 4.20 Play
School. 4.45 Buford Files and Hosamhir. 5.55-6.20 Wales Today.

England—5.55-6.20 pm Look East (Nerwich); Look North (Leeds, Newcastle); Look North-West (Manchester); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South-West (Plymouth). 10,15 East (Norwich) Weekend: Midlands (Birmingham) Dennis McCarthy's Weekly Echo; North (Leeds) Direct Line; North-East (New-castle) Quayside 900; North-West

> (Plymouth) According to Hoyle; West (Bristol) Day Out. BBC 2 6.40-7.55 am Open University. 4.30 pm Cricket: The Cen-

> (Manchester) Country Concerns:

South (Southampton) More Ways Than One; South-West

Friday, 6.30 Superstar Profile, 8.00
The Streets of San Francisco. 10.30
Late Film: "Ritual Of Evil," 12.15 am
Border Naws Summary. 6.35-7.00 Open University. 7.45 Mid-evening News including sub-titles.

7.55 Return Call to Brass-Tacks. 8.05 Gardeners' World.

8.30 Premiere: "Hanging Around" by Barrie Keeffe. 9.00 Romer's Egypt: "Diary of

10.15 Festival '80 from Edinburgh. 10.45 Newsnight. 1L30 Cricket: Centenary Test (highlights). †12.00 The Outer Limits.

England, as petrol in France LONDON 9.30 am Rocket Robin Hood. 9.50 Nature of Things. 10.40 Story Hour. 11.30 Friends of My 8 They include an alternative 12.00 A Handful of Songs. 12.10 9 There is a party with us in pm Once Upon a Time. 12.30

Friends. 11.55 Beany and Cecil. Home-made for the Home. 1.00 News, plus FT Index. 1.20 Thames News, L30 Emmerdale Farm. 2.00 Houseparty. 2.25 Racing from Sandown Park. 3.45 The Andy Williams Show. 4.15

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\$ 5.00 am As Radio 2. 7.00 Mike Read.

\$ 0.00 Peter Powell.

11.00 Dave Lee
Travis with the Radio 1 Roadshow.

12.30 pm Newsbeat.

12.45 Paul

Burnett. 2.00 Andy Peebles.

4.21

Richard Skinner.

5.30 Newsbeat.

5.45 Anno. Nichtlende. Roundtable. 7.30 Anne Nightingale. 9.50 Newsbest. 10.00 The Friday Rock Show (S). 12.00-5.00 am As Radio 2.

RADIO 2
5.00 am News Summary, 5.03 Stave
Jonas (S), 7.32 Ray Moore (S), 10.00
Jimmy Young (S), 12.03 pm David
Hamilton (S), 2.03 Ed Stewart's
Request Show (S), 4.03 Much More
Music (S), 5.03 Bob Kilbey (S), 8.02
Take Your Partners at the Radio 2
Ballroom (S), 8.45 Friday Night is
Music Night (S), 9.55 Sports Desk, 10.02
Dad's Army, 10.30 The Organist
Entertains, 11.02 Sports Desk, 11.03
Brian Metthew with Round Midnight at the Edinburgh Festival, including 12.00
News, 2.02-5.00 am You and the Night and the Music (S). RADIO 2

RADIO 3

Concert (S). 9.00 News. 9.05 This Today, 8.45 The Call of the Wild. Week's Composer: Berlioz (S). 950 Oboe and Piano recital (S). 10.30 Schubert: String Quartet D353 (5). 11.00 Cricket: The Centenary Test-England v Australia (music until 11.25). (S). 10.45 Story Time. 11.00 News. England v Australia (music until 11.25), including 1.35 pm News, 1.40 C4/I the Commentators, 2.00 Lunchtime Scoreboard. 6.40 Alirio Diaz guitar music (S), 7.10 One Pair of Ears, 7.30 Proms concert, part 1 (S), 8.15 What the Papers Said, 8.35 Prems, part 2 (S), 9.50 A Moment Play by Gebrial Josipovici (S), 11.00 News, 11.05-11.15 Bach (S).

VHF—With Medium Wave except as follows: 6.00-7.00 am Open University. follows: 6.00-7.00 am Open University.
11.00 Edinburgh Festivel song recital, part 1 (S). 11.40 Festivel Comment.
11.55 Festival, part 2 (S). 1.00 pm
News. 1.05 BBC Symphony Orchestre
(5). 2.30 Schumann chamber music recital (S). 3.20 Pendyrus Male Voico Choir (S). 3.50 Cent Flasch International Violin Competition (S). 4.55
Nows. 5.00 Mainly For Pleasure (S).
6.20-7.00 Open University.

RADIO 4 6.55 am Weather. 7.00 News. 7.05

Overture (S). 8.00 News. 8.05 Morning Today. 6.25 Shipping Forecast. 6.30 Treat

BY MICHAEL STRUTT Rhyl sets out to provide through a £77m tunnel under

cheery and economical family the river. nolidays in the style of Black-Also newly-opened is a £4.25m be routed along the foreshore. council leisure building, the Sun But there is another longdoor surfing pool.

Changing holiday trade

Colwyn Bay, as much a residential town as a resort, offers sphere that, in different ways. and entertainment, as befits its sorts and which aids them in holiday brochure slogan "Gate-way to North Wales." And certain times. tourism-based businesses for Llandudno, aware of its scenic location and genteel atmosphere, is out to draw conference business and shoppers as well Rhuddlan Borough Council's director of entertainments and as holidaymakers—all the year publicity, said: "We have had round if possible.

a very poor season this year. All the towns heavily pub-cise the entertainments, British resorts have to look to their laurels in the present economic climate or they will beauty spots and other attractions in the surrounding area. So the improvements sanctioned "Holidays are a competitive business and they are our staple for the A55, which will make the road dual-carriageway from Chester to Bangor by 1987-88 are going to make the resorts There's little Though the three resorts are their hinterland more friendly rivals, they vary widely accessible, particularly to day Britain and overseas." in character and so tend to trippers and casual visitors. attract different people. But since they are only a few miles

lieve congestion at Colwyn Bay Rhyl's Sun Centre is being paid and the notorious summer for out of the rates as well bottleneck at Conversion bottleneck at Conwy where, admission receipts — plus a to protect the view of the £500.000 direct grant from the famous castle, it will be routed EEC.

However, work on the entire pool, but instead of the tower £350m scheme is likely to cause and illuminations, Rhyl has a some disruption, especially at new, privately-operated mono-Conwy, and at Colwyn Bay running along the front, where the widened road is to

Centre, which boasts an indoor standing problem at Colwyn monorail and Europe's first in- Bay which admits to no easy solution. Because the town is spread out, it lacks the atmoa wide range of accommodation stamps the other two main re-

Llandudno, with its timeless Edwardian air, and Rhyl, with its chicken and chips mateyness, are more identifiable.

tourists does not worry everyone. The Wales Tourist Board in its latest report declares it is not necessarily a bad thing. "The environmental problems

though they were localised. have eased considerably and this should help Wales to attract more discriminating and highers-spending vistors from

But there is another long-

The drop in the number of

tourist pressures. even A more positive way forward

It has taken well over £250,000 since it opened on June 28, and was built specifically to extend the town's season and revitalise business. Profits will be used to subsidise a new theatre to be built next to the centre. Colwyn Bay's £1.8m leisure centre is expected to be finished

will stay open during the At Liandudno, the council is despite the economic climate." spending £1.8m to develop its The council promotes and

Arcadia Leisure and Con-ference Centre, so that it will be able to cater for conferences of up to 1,150, with exhibition space alongside.

officer, calls it "an investment which must encourage private enterprise in the town to go the same way. We cannot be complacent. More and more places are becoming recognised conference centres and we have compete against inland towns as well as resorts."

The hotels, guest houses and accommodation trade generally the traditional two-week long need to adopt the same family holiday.

approach, according to Mrs. Gwen Manchester, deputy manager at the North Wales Tourism Council. "Many hotels are putting in bathrooms en suite, and making other improvements, because that is what people expect nowadays. next summer. Unlike Rhyl's it Hotels which are catering for what their customers really want are doing good business

**≣LIVERPO**O

advertises the area abroad to attract Continental visitors, but it hopes that new Transport Act provisions coming into effect this October, which will Mr Brennan Blake, publicity get rid of many licence restric-fficer, calls it "an investment tions affecting tour coach companies, will make a big difference to business next year. One possible growth area is

short-term holidays where, according to Mrs. Manchester, Wales is number one." Many believe that this type of break will become more popular, perhaps to the extent of overtaking

# To-Agori-Mou needs no effort

apart anyone staying in. say,

Colwyn Bay is very likely to

spend some time (and money)

in Rhyl, Llandudno, Abergele,

**NORTH WALES** 

fully at what they are offering

in an area where because of

the lack of industry, the local councils depend heavily on

At Rhyl, Mr. Ron Smith.

fall by the wayside.

industry here.

TO-AGORI-MOU, my idea of Starkey found himself in com- backed to succeed where Young the fastest two-year-old seen out this season, should have in today's renewal of Sandown's Intercraft Solario Stakes. The race seems certain to shed

EVEN THOUGH the main

holiday season is coming to an

end, almost everyone connected

with tourism on the North

Wales coast took a close

interest in the unemployment

For the areas of England

hardest hit by the recession-

Yorkshire and the Liverpool.

Manchester and Midlands con-

urbations—are the homes of

The holiday season has been difficult this year. Empty

breakfast tables in hotels and

guest houses and the occasional

arrival of half-full coaches

worrying reminders that many

could not afford a holiday this

The three traditional resorts

along the coast, Rhyl, Colwyn

Bay, and Llandudno, are used

to coping with the vagaries of

British weather. But now they

are forced to compete against

package holidays not just to the Continent but new foreign

holiday centres such as the U.S.

and North Africa and sell their

attractions to an increasingly

mobile population. The days of

the standard two-week stay booked months in advance are

People are still coming to the North Wales coast but many

have less to spend, and the

better-off are more fussy. The

resorts are having to look care-

during the peak season, were their rates revenue.

many of their holidaymakers.

figures published this week.

RACING BY DOMINIC WIGAN

further light on his long-term prospects: although the highly promising Sauvage is a surprising absentee. Chirk Castle has held out well, as has Bold

At Goodwood's July meeting it was not so much what the Guy Harwood colt beat, but the manner in which it was accomplished which created such a

Scotish News. 5.55-6.20 Reporting

Garden. 10.45-10.50 News for

Scotland, National News.
Northern Ireland—4.18-4.20 pm

Northern Ireland News, 5.55-6.20

Scene Around Six. 10.15 The Picture in Question. 10.45-10.50

News for Northern Ireland,

National News. 12.10 am News and Weather for Northern

Scotland. 10.15 The Beechgrove

Bugs

i eslie Howard Scotland-L25-1.30

'Pimpernel Smith,"

plete command on To-Agori-Mou Generation so narrowly failed by halfway in the Foxhall again yesterday. no difficulty in adding to his Stakes and from then on the already formidable reputation partnership was pressed to exert only minimal effort.

At the line Clear Verdict, a smart half-brother to Nawaf, their side. was in second place, two lengths adrift, with Habitor the same distance away in third place. To-Agori-Mou went on to complete a quick double with

an equally easy Lingfield success 10 days later, drawing the flattering comment from his handler: "Make no mistake, this is a very high-class colt." Although considered by some Derby proposition, To-Agori-Mou is by no means certain to get 1; miles as a three-yearold and, furthermore, does not strike me as an Epsom colt in

terms of confirmation. He looks far more of a Two Thousand favourable impression. Greville Guineas prospect and was Follow Me. 4.45 Runaround. 5.15

Take My Wife,

starring

6.00 Thames News.

6.30 Thames Sport.

7.00 Winner Takes All.

7.30 How's Your Father? 8.00 Vegas.

12.45 am Close: Personal choice

with Delia Smith. All IBA Regions as London except at the following times:—

**ANGLIA** 

ATV

9.35 am Something Different. 9.50
The Mesterbuilders. 10.20 The Galway
Way. 11.05 Kidsworld, 11.30 The
Human Face of China. 1.20 pm ATV
Newsdest. 3.45 Sters on Ics. 5.15
Laverne and Shurlev. 6.00 ATV Today.
8.00 Hawaii Five-O. 10.30 WKRP in
Cincinnati. 11.00 ATV Newsdesk.
11.05 Mavie Premiers: "Melvin Purvis
—G Man."

BORDER

9.30 am Weir's Aweigh, 10.00 Horses In Our Blood. 10.25 A Portrait of the Artist. 10.40 Clapperboard. 11.05 Chopper Squad. 11.50 Cartoons. 1.20 pm Border News. 3.50 Stars on Ice.

CHANNEL

1.20 pm Channel Lunchtime Naws, What's On Where, and Weather. 3.45. The Land of Summer. 5.15 Father. Dear Father. 8.00 Channel News. 6.10

Dear rather. 8.00 Channel News. 6.10
Horses In Our Blood. 6.35 Encore.
8.00 Have Girls Will Travel. 10.28
Channel Late News. 10.36 TV Movie
Premiers: "Tiger By The Tail," 12.20
am News and Weather in Franch.

GRAMPIAN

GRAMPIAN
9.25 am First Thing. 9.30 Weir's
Aweigh. 9.55 Horse in Our Blood.
10.20 Portrait of the Artist. 10.35
Clepperboard. 11.00 Logan's Run.
1.20 pm North News. 3.50 Fangiace.
6.00 North News. 6.10 Fleir. 6.30
Thingummylig. 8.00 BJ and the Bear.
10.30 The Export Scotch. 11.00 Reflections. 11.05 The Friday Lete Night Film:
"The Hunters." 12.30 am North Headlines and Road Report.

GRANADA

9.30 am The Challenging Sea. 9.50 Tarzan. 10.35 Clepperboard. 11.00 Sesame Street. 1.20 pm Granada Reports. 3.45 Survival. 5.15 A Sharp

neports. 4-49 Survival. 5.15 A Sharp Inteke of Breeth. 6.00 Granade Reports News. 6.05 What's the Word? 6.35 Crossroads, 8.00 Vegas. 10.30 Kici- Off. 11.00 Soap. 11.30 The Continental: Melina Marcouri in

10.00 News. 10.30 End of Part One.

11.00 Seven Ages.

11.45 Side Street.

Now that Mr. John Baillie's Ultra Vires has, finally, opened her account, it will probably

pay backers to keep her on Ultra Vires is raised in class. but she could not be better handicapped off 7 st 7 lbs, and appeals as the afternoon's best

> SANDOWN 2.00-Paleor 2.30—Red Gold 3.05—To-Agori-Mou 3.40—Ultra Vires\*\*\* 4.10—Skukuza 4.45-Schweppes Forever CHESTER 2.45—Fire Mountain

3.15—Hawkins 3.45—Frasass 4.15-Salt\*\*

P1.1 V
9.55 am Survival. 10:20 Animated
Classics. 11:00 Sesame Street. 1:20
pm HTV News. 3:45 Stars on Ice. 5:15
Airight Now. 6:00 Report Wast. 6:30
WKRP in Cincinetti. 8:00 Tenspeed
and Brown Shoe. 10:28 HTV News.
10:35 The Good Neighbour Show. 11:05
Changes Squad. TO.35 The Good Reignboar Show. 11.05 Chapper Squad.

HTV Cymru/Wales—As HTV West/
HTV General Service except: 11.55 am12.10 pm Cei Cocos. 4.15-4.45 Y Car
O'r Cychwyn. 6.00 Y Dydd. 6.15-8.30
Report Wales. 10.35-11.05 Enterprise.

SCOTTISH 9.25 am The Story of Wine. 9.55 Horses In Our Blood. 10.25 Portrait of the Artist. 10.35 Clapperboard. 11.00

of the Artist. 10.35 Clapperboard. 17.00 Charlie's Angels. 11.55 Cartoon Time. 1.20 pm News and Road and Westher. 3.50 Fanglace. 5.15 Mr. and Mrs. 6.00 Scotland Todav News and Sport. 6.30 Festival '80. 10.30 Festival Focus. 11.15 Late Call. 11.20 Late Night Movie: "Triology Of Terror." ANULIA

9.25 am Animated Special. 10.10
Young Fisherman of Bay Bulls. 10.40
Clapperboard. 11.05 Call It Macaron,
11.30 History of the Motor Car. 11.55
Cartoon Time. 1.20 pm Anglia News.
3.45 Cartoon Time. 5.15 Alright Now.
6.00 About Anglia. 8.00 Charlie's
Angels. 10.30 Speedway. 11.00 Soap.
11.30 Friday Lata Rym: "The Haunted
House Of Horror." 1.10 am Men Who SOUTHERN 9.30 am The Wild, Wild World of Animals, 9.55 Chopper Squad. 10.35 Clapperboard. 11.05 The Mackenzie Affair. 1.20 Southern News, 3.45 The Entertainers (Annie Ross). 5.15 Happy Days, 6.00 Day By Day, 6.00 Scene South-East (South-East Area only). 6.30 Tell Me Another, 110.35 "Morgan," starring Vanesse Redgrase.

TYNE TEES 9.20 am The Good Word, followed by North-East News. 9.30 Hands. 9.55 Chopper Squad. 10.40 Clapperhoard. 11 05 Adventure Classics. 1.20 pm 11 05 Adventure Clessics. 1.20 pm North-East News and Lookaround. 3.50 The Wild, Wild World of Animals. 4.15 Follow Me. 6.00 North-East News. 6.02 Sportstime. 6.25 Northern Life. 8.00 The Incredible Hulk. 10.30 North-East News. 10.32 Film of the Week: "The Mephisto Waltz." 12.48 am Meet the

ULSTER ULSTER

9.30 am Weir's Aweigh. 10.00 Horses In Our Blood. 10.25 Portreit of the Artist. 10.40 Claoperboard. 11.00 Sesame Street. 1.20 pm Lunchtime. 3.45 Stars on Ice. 4.13 Ulster News Headlines. 5.15 Mr. and Mrs. 6.00 Ulster Talevision News and Sport. 8.30 An Exceptional Child. 8.00 The Incredible Hulk. 10.29 Ulster Weather. 10.30 Wimeas. 10.35 Friday Film: "Journey To The Far Side Of The Sun." 12.20 am Bedtime.

8.59 Continental Travel. 9.00 News. World at One. 1.49 The Archars. 1.55
Shipping Forecast. 2.00 News. 2.02
Woman's Hour. 3.00 News. 3.02
Listen With Mother. 3.15 Afternoon
Theatre (\$). 4.10 Faraway Food. 4.40
Preview. 4.46 Short Story. 5.00 PM:
News magazine. 5.50 Shipping Forecast. 5.55 Weether: programme news.
6.00 News. 8.30 Going Places. 7.00
News. 7.05 The Archers. 7.20 Pick
of the Week (\$). 8.10 Profile. 8.30
Key Figures (\$). 9.15 Letter From
America. 9.30 Kaleidoscope at the
Edinburgh Festival. 9.59 Weather, 10.00
The World Tonight. 10.35 Injury Time
(\$). 11.00 A Book at Beddume. 11.15
The Financial World Tonight. 11.30
John Wells on. . . 11.45 Friday
Treat 12.00 News

QUEEN'S. CC. 01-734 1165. Evenings 8.00. Sat. 4.30 and 8.00. Tom Courtensy Freddle Jones THE DRESSER. The new play by Ronald Harwood-Directed by Michael Elliott.

AT MOOD REVUEBAR, CC. 01-734 1593,
At 7.00. 9.00, 11.00 pm. Opens Suns.
PAUL ATYMOND presents THE
PESTIVAL OF EROTICA. New Acts, New
Girls. New thrills, 23rd Sensational year.
Fully air conditioned.

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8.00 FFI. and Sat. 4.5 & 6.45.

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836 8118. Mon.-rri. (10-6). ESLIE
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8.45. Red. price Fri. mat. Group bigs.
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**OPERA & BALLET** COLISEUM. S. CC. 240 S858. Reservations 836 3161. ENGLISH NATIONAL OPERA-Ton't & Tues. 7.30: The Damastion of Faist. Tomor. & Thurs. 7.30: Count Ov. Wed. 7.30: The Coronation of Poopea 104 balcony seats avail. from 10 am

THEATRES ADELPHI. CC. 01-836 7511. Evgs. at 7.30 Set 4.00 and 7.45. Mats. Thurs. at 3.00. TONY BRITTON. LIZ ROBERTSON. PETER SAYLISS & ANNA NEAGLE IN THE WORLD'S GREATEST MUSICAL MY FAIR LADY. Group bookings ring 01-836 T358 or 01-379 5061.

ALDWYCH. S. 836 5404. CC. 379 5233
(10-6. Sats. 10-4). Into. 836 5332. Fullwair conditioned ROYAL SHAKESPEARE
COMPANY. Ton't. 7.30. Tomor. 2.00 &
7.30. From Stratford-upon-ADD.
TWELFTH NIGHT. In rep. with OTHELLO
(Mon. Tues. 7.30). RSC also at The
Warehouse and Piccadilly Theatres. AMBASSADORS. TH. S. 836 1171. CC. 379 6565: Eves. 8. Fri. & Sat. 6.00 &

APOLLO. S. CC. 01-437 2863. Grp. Sales 379 6081. From Mon. Eves. 8.0. Wed. 37. AND S. O. AND M. RODNEY BEWES. AND AND MACHEWS IN MIDDLE AGE SPEEAD. Comedy of the Year. West End Theatre Awards. CAMBRIDGE. 01-836 5036. Credit cards. accepted 01-836 7040. Mon.-Pri. 8.00. Thurs. 3.00. Sat. 5.00 & 8.30. LAST 4 WEEKS. MUST END SEPT. 30. CHICAGO. ELIZABETH SEAL JACQUIE TOYE. COLIN BENNETT. LYNETTE BENTLEY. Anti-inflation policy! Seats at \$1.50. \$2.50. \$4.00 in stalls and Royal Circle. Group sales 379 5081 & 835 6056. Student Nurses. OAPS Standby \$1.50. JOAN COLLINS HOTLINE, 240 5679. West End debut Oct. 21. Book Now.

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Rossi Limited. MUCH ADO ABOUT
NOTHING. Tomor (m), OLD HEADS AND
YOUNG HEARTS. Ton't... Tomor.. Sat.
Ergs. 7.00. Mats. Thurs. & Sat. 2.00. COMEDY THEATRE. CC. 930 2578. Mcn.-Sat. 9.00. Mat. Fri. and Sat. 5.30. THE ROCKY HORROR SHOW. Group Sales Box Office 01-379 6061. Last 3 Weeks. MUST END SEPT 13.

DUKE OF YORK'S. CC. 836 5122.
GLENDA JACKSON ROSE. A new play
by Andrew Davies. Evgs. 8.00. Mats.
Wed. 3.00. Sat. 5.00. Over 150 totally
sold out performances. Seats available
for today at Theatre. Last 2 days, must
end Sat.

FORTUNE. S. CC. 01-836 2238. Eves, 7-30. Wed. 2-30, Sat. 4-00 and 8.00. JAMES AUBREY and PATRICK MAGEE in Marlow's Masterpiece OR-FAUSTUS. HURRY! LAST SEASON MUST END SEPT 20.

GARRICK, CC. 01-836 4501. Evgs. 8.00 (sharp). Fri. and Sat. 5.30 and 8.30. WILLIAM FRANKLYN in Ira Levin's DEATHTRAP.

OEATHTRAP.
GLOBE THEATRE. S. CC. 01-437 1592.
Group sales 379 6061. Eves. 6. Mat.
Wed. 3. Sais. 5 and 6.15. Berli Reid.
Barry Forbr. Febr Bowles. Ian Waters
in a new niev by Peter Nichols. BORN
IN THE GARDENS.

HAYMARKET, Therite Royal, CC. 01-930
HSS1, EVB. 7.45, Wed. 2.30, Srt. 4.30
HR LO. LEONARR POSSITE
PRUNELLA SCALES IN MICHAEL
FRAYN'S MAKE AND BREAK DIRECTED
BY MICHAEL BLAKEMORE.

KING'S HEAD, 01-226 1916. Opens Mon. Dar. 6.30, Show 7.30 (subs. Eves. Dar. 7.00, Show 8.00) PACK UP ALL YOUR CARES & WOE with Bertice Reading.

MONDAY.

LYRIC S. CC. 01-A37 3556. Opend Sept.

2.7.0. sub. eves. 8.00. 5st. 5.30 6 8.50.

DINSDALE LANDEN, NICOLA PAGETT

IN ALAN AYCKBOURN'S 7AKING
STEPS. Directed by Michael Rudman.

Group sales box office 01-379 5051.

CRITERION. 930 3216. CC. 379 6565. Group bkes, 379 6061 or 836 3962. Eves. 8. Fri. and Sat. 8 and 8.45. Air conditionins. Robin Ray, Journal Adams. Martin Commor, Tricka George in TOMPOOLERY, the words and music and lyrics of TOM LEHRER. DUCHESS TH. CC. 01-836 8243. Group sales 379 6061. Evs. 8.00. Sat. 5.30 and 8.30. Thurs. Mat. 3.00. MARIA AITKEN MICHAEL JAYSTON in Noel Coward's PRIVATE LIVES. PRIVATE LIVES.

DUKE OF YORK'S. S. CC. 836 5122.
FRANCES de la TOUR. DAVID de KEYSER IN DUET FOR ONE by Tom Kemplinski. Previews from Sept. 16.

QPENS Sept. 23.

WESTWARD WESTWARD

9.30 am Weir's Aweigh. 10.00 Horses
In Our Blood. 10.20 Shuttleworth
Vintage Planes. 10.35 Clapperboard.
11.05 Portrait of the Artist. 11.15 The
Beatles. 11.40 All Together Now Lads.
12.27 pm Gus Honeybun's Birthdays.
1.20 Westward News Headlines. 3.45
Great Composers. 5.15 Father, Dear
Father. 6.00 Westward Diary. 8.00
Have Girls Will Travel. 10.32 Westward Lote News. 10.36 TV Movie
Premiere: "Tiger By The Tail." 12.20
am Faith for Life. 12.25 West Country
Weather and Shipping Forscast. YORKSHIRE

9,30 am World We Live In. 9.55
The Natura of Things. 10.45 Spiderman.
11.05 Chopper Squad. 11.55 The
Bubblies. 1.20 pm Calendar News.
3.45 Stars on ice. 5.16 An Exceptional
Child. 6.00 Calendar (Emley Moor and
Belmont editions). 6.35 Calendar Sport.
8.00 Charlie's Angels. 10.30 Soap.
11.00 Appointment With Fear: "The
Oblong Box."

9.05 Desert Island Discs. 9.45 Feedback. 10.00 News. 10.02 International Assignment. 10.30 Daily Service 11.05 Reel Evidence-the Multi-purpose Swap Shop. 11.50 Natural Selection. 12.00 News. 12.02 pm You and Yours 12.27 The Year in Question. 12.55 Weather; programme news. 1.00 The World at One. 1.40 The Archers. 1.55

THEATRES THEATRES WHITEHALL THEATRE, 01-930 7 THEATRE 5. 928 2292. pen stages Ton't Tomor. 7.30 Paul Raymond present F1081A BICG-MOND and a Berhal of Beautice in Wolf-MO F713MAS. Feathing Men Cally Magaziner's Sociational Playmates of the Vest. Eves. 8:30. F71. Set. 5 15.6 8.45. iliams. ellent cheap seats from 10 am on of perf. all 3 theatres. Car park, staurant 928 2033. Credit card bkgs. bkg. 15 Dec. to 17 Jan. n 8.30, Tup 7.30 & 9.30 BECKETT RECTS BECKETT Krapp's Last Jape I seats £1]. OPEN AIR REGENT'S PARK CC. 5, 486 2431. Company at Arrustel Festival feel. 0903 803474: this week then return with extra week of ANDEOCLES AND THE LION from Sept. 1. PALACE S. CC, 01-437 5834. RODGERS & HAMMERSTEIN'S OKLAHOMAI Only 3 weeks to opening. Sent. 17. Group Sales Box Office 379 6061. CINEMAS

Warehouse.

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Evgs. 8.00. Mats. Thurs and Sat. 3.00.

EVITA by Tim Rice and Andrew LiondWebber. Directed by Harold Prince.

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Credit card bookings 930 0846. An evening with TOMMY STEELE and his comeany. Evgs. Mon., Thurs. 8.30. Pri. and Sat. 6.00 and 8.30. Book new. CLASSIC 1, 2, 3, Maymarket ePiccadilly Circus Tube), 01-839 1527.

1: DR. ZHIVAGO (A), A 70mm Presentation, Sep. peris, 2.08, 7,00.

2: THE BLACK STALLION (A), Pross. 1.00 inot Sun., 320, 555 8.25.

3: CANT STOP THE MUSIC (A), in Dolby Stereo, Pross., 140 (Sun. from 2.30), 440, 7.45.

G310 (opp. Fottentiam Court Rd. Tubel. Fully air. conditioned. 1: McViCAR (X) in Doby Stereo. Progs. 1: 0. 3.30, 5.55, 8.25. (AA) in Doby Stereo. Progs. 6: 0. 3.30, 5.55, 8.20. 3: MRESCARD AS GGLO (X). Progs. 1: 0. 3 CLASSIC. Leloester Square. 01-930 6915. ZOMBIES DAWN OF THE DEAD (X). 1.40 (not Sum.). 445 8.15. THE GREAT BRITISH STRIPTEASE (X). 3.50. 7.05. URZON, Curzon Street, W1, 499 3737. Bertrand Tavernier's UNE SEMAINE DE VACANCES (AA), (English sub-inties). Progs. 2.00 (not Sun.) 4.05, 6.20, 8.40. Chainigun, Tottenham Crt. Rd. 580 9562. Jule Empire Strikes BACK (U) Cont. progs. wks. 1.35, 4.35, 7.40. Sen. 4.05: 7.10. A.DS: 7.19.

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HOTEL: Stratton St. Green FE. Tube.
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(X), Pross. S.AS. 7.50, 9.15. OX., Pross. 5.45. 7.50. 9.15.
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# Edinburgh uphill, London down dale

by NIGEL ANDREWS

with the nobs and sees the

large around him-is always one

ing, and its real-life hero

(George Purse) has a rough-

diamond charisma that seizes

and holds the centre of the

of TV director John Mackenzie,

one, of whose productions popped up on the box last Tues-

day night (Just a Boy's Game,

Socialist propagandism.

Scotland unveiled the works

screen.

Edinburgh Film Festival Une Semaine de Vacances (AA) Rialto

The Fiendish Plot of Dr. Fu

Manchn (A) Warner West End Every film festival has its dotty and diselemented years, and 1980 piped in one of Edin-burgh's. With commercial distributors stealing a march on Edinburgh in the munt for the year's hit foreign movies—from Resnais's Mon Oncle d'Amerique sexist notions in Britain today. to Kurosawa's Kagemusha -there were depleted pickings for two brothers, divided by their the 1980 Scottish festival, and life-styles and political beliefs—

the festival lacked in real She half succeeded: stacking te fortnight's celluloid schedule with crusading curios and retrospectives. And she did keep the British flag flying. The BFT Production Board was represented in force, with four new films, and Scotland was honoured with a tribute to TV film-maker John Mackenzie.

Ediburgh's devotion to the off- socio-political preaching.

beat and/or the low budget is grand when it's offered as the is indictable on similar charges, flip-side to a matching quota of although Loach's work has an strong, forward, well-crafted easy humanist grace that trans-movies. But when the down-at- cends its occasional tendency to heel and dizzily erratic is all nudge one sharply in the ribs that's on offer, the diet becomes with the Left elbow. This porbit arduous.

bit arduous.

The best of the British Film ducal estate—his mixture of Institute films was Richard dogged loyalty and sporadic Woolley's Brothers and Sisters. exasperation as he honnobs A kaleidoscopic crime thriller who killed prostitute Jennifer Collins?—is used as the stalk-The police inquiry homes in on director Lynda Myles made a one is a commune-dwelling brave effort to make up with liberal, the other a starchy spirited odds and ends for what army major—but joined by their veiled, insidious miso-

gyny.
Through a clever juggling of murder-thriller suspense and soap-opera naturalism, Woolley anatomises Anglo-Saxon attitudes to sex and the sexes, and by his playful, inventive visuals and he injects at least a little cinematic vitality into the BFI's currently unstoppable determination that the movies they the latter, but is fiery, feral stuff But it was an uphill struggle. fund should be a platform for

as J.M. shows what he can do with a chop-about Brechtian pageant, penned by John McGrath, about how the long arm of English oppression has reached out to Scotland through Mackenzie's latest film is in limbo-land at present between TV and the cinema, as no one can quite agree about which medium it belongs to. The Never mind, it's all bright,

bloodthirsty resonant than an episode of gets from men by robbing and/ The Sweeney but brilliantly acted by Bob Hoskins as the lead hoodlum, a Don Corleone of Deptford with a bruiser's dolefully delicious comedy and aphorism for all occasions. one of the best French films

From America came a small for years. army of mini-budget features featurettes. They emerged from the woodwork and socked you on the head whenever you entered Edinburgh's Filmhouse. will go to my grave proclaiming my belief in the worthwhileness of Edinburgh's devotion over the years to independent American cheapies. It has turned up trumps more times than one can compute.

or the etiolated camp of Under- lovely, lithe, wind-blown grace. ground USA or the Chinese-box cutesiness of Dcmon Lover than a series of casual, brush-Diary, a film about the making ing. Chekhovian encounters as

of a film about . . . Or you Time momentarily expands for could see Super-8 Punk movies her to see and feel her surround-Ken Loach's The Gamekeeper from New York. Or rather you couldn't really see them because they unreeled in a mist of poor focus and in earthtremors of wobbly camerwork.

David Nunez's Gal Young Un was sedately traditional by comparison, but at least it established an instant handhold on the audience's attention and social inequities of life writ kept up its grip for 100-odd minutes. In rural Florida, we step ahead of its own sermoniswatch the quirky liaison between a gold-digging rascal and the wealthy, elderly widderwoman he marries.

Nunez charts the relationship's change from a breezy May-January courtship to postmarital disillusionment to a final scorpion's dance of conjugal spite. Riveting performances from David Peck as the man and Dana Preu as the old lady.
Out of the remaining global

written by Peter MacDougall). Mackenzie is a versatile filmmaker, seesawing permeters chips-with-everything naturalism grab-bag of new cinema offered by Edinburgh '80, two films deserve wider exposure. One is Ann Hui's The Secret from The Cheviot, The Stag and Hong Kong: a kaleidoscopic the Black. Black Oil instances murder thriller, bucking vivaciously between the sublime and the ridiculous and using a thrillingly fractured narrative to explore Who Killed The Young Couple In The Park. The style is several pegs higher than the penny dreadful basics of the crime story, but Miss Hui's skills tease us along oblivious of the incongruity, at least until the Z movie apocalyse of the last

Long Good Friday is a sort of St. Valentine's Day Massacre a long, louche, languidly hyptransposed to Swinging London.

Also well worth a wind is Jacques Bral's Extérieur Nuit; a long, louche, languidly hyptransposed to Swinging London.

The long of the long is a sort of is Jacques Bral's Extérieur Nuit; a long, louche, languidly hyptransposed to Swinging London. Also well worth a wider run I should say Swigging London, Paris life. Bral gives us the since the amount of expense offbeat triangle of two carpe account alcohol knocked back in diem young layabouts-one an this story of big-business-with- out of work musician, the other violence Down South and Oop a "resting" writer - and the North would probably float the girl cab driver whose amorous

path they cross.

She is feminism in motion: story- leather clad, laconic and giving telling; not much more artful or as good, nay better, than she or seducing her own clients when she feels like it. Bral's film is an enigma wrapped in a

Down here in London, ertrand Tavernier's *Une* Bertrand Semaine de Vacances opens at the Curzon this week. At last replacement for Courage Fuyons! And a handsome one. too. The knight-errant spirit of Renoir-lan French humanism swoops this simple little taleabout a barassed teacher (Nathalie Baye) taking a week's But this year's selection was mid-term furlough to rest and frankly awful. You could sample "find herself"—up on to its "find herself"-up on to its the missire slapstick of Twins white charger and lends it a

that enwrapped Le Juoc et L'Assassin and Death Watch, the slim-line Saint-Paul. For lovers of movie high-style there are few rewards.

is triumphant. We end by knowing both why the heroine leaves her job and why she still loves it, what she ness, friendship and fallow introspection, and what new strength she brings to the resumption of her work. See it -sometimes a film is as good as a holiday.

Sometimes, on the other hand. it isn't. You can put McVicar and The Fiendish Plot of Dr. Fu Manchu straight down on your Unwanted list. The first is Having-A-Lovely-Time-In-Her Majesty's - Prisons - Wish - You -Here, as real-life internee John McVicar, played by crew-cut and frequently nude Roger Daltrey, roisters through thickear comedy and interminable jail riots before escaping through a tunnel in the showerroom. They should have built one in the cinema.

Fu Manchu is the celluloid swan-song of Peter Sellers and is best turned a politely deaf ear to. Sellers flexes his tonsils by playing both Fu Manchu and the Oriental demon's antagonist Nayland Smith; but neither characterisation is vintage Sellers, the supporting cast is all-at-sea (including Tomlinson and Helen Mirren) and the script is something awful. Stay with the memory

ings, her friends, herself. She copes with her manic, rushabout lover (Gerard Lanvin), she befriends the sad, gusty father of one of her pupils (Michel Galabru), she visits her parents tucked away in rural France and she sorts through the odd portfolios of homework.

Best of all, in Nathalie Baye's exquisite performance, full of grace and soft shadows, she reflects all that passes before her -the people and the events-as a lighted river-wall reflects the ghostly ripples of the water at

Tavernier has cut away from this film all the rhetorical fat humanism of L'Horlogier de

Taverniet's camera simply treads on tiptoe in the wake of his characters, capturing a mannerism, a fleeting look, a turn, of the head. But the deference

of Seller's Being There per

formance.

Fiona Fullerton and Brian Protheroe

Lyric, Hammersmith

# The Beggar's Opera

by MICHAEL COVENEY

When in charge of the rospect Theatre Company, Prospect Toby Robertson unlocked the 18th century repertoire to good effect, echoing the work done by Nigel Playfair at this address in the 1920s. The Lyric's autumn season has opened with Mr. Robertson taking on Playfair's most famous hit, but on his own terms. Here is no wan revival of those pretty Claud Lovat Fraser designs. The Brechtian re-working is acknow-ledged in the form of scene announcements inscribed on tatty banners. David Turner's adaptation of John Gay's opera (1728) is unostentationally updated, even if certain key passages are mysteriously lack-What happened, Peachum's instance. marvellous speech beginning: Money is the true Fuller's Earth for reputations; there is not a spot or a stain but what it can take out"

If Brecht and Weill rewrote a social indictment of the bourgeoisie, Gay set about showing the interdependence of social strata, with pecuniary impulse the great leveller and Macheath's hedonistic indulgence the trap door beneath the

Pamela Howard keeps an open stage which is surrounded by evocative skyline twinkling lights and invaded by profit by her marriage to Protheroe stands firm as Macinterior. When that cloth flies with an excellent solution to reflective air. The other overall him that "only before the Royal bonus is of the worlds of Court" do plays have to be dog-Newgate, the open road and the gedly realistic. That allows for tavern all melding in a con- a change of heart as the beggar sistent visual statement.

I have not seen any of the recent operatic revivals of the tion and an income from the piece, but the major stumbling royalties. He joins in the block here proves to be the amoral fray. musical direction of Roy Moore. Macheath, sung to the tune of "Over the fields and far away,"

he Hysi

time every two minutes, not at all helped by an inappropriate electric guitar in the pit. Fiona Fullerton is pretty as

scenic drops. An admirable Polly, Caroline Villiers impres-fluency is maintained. Polly sively catty as Lucy Lockit, her overhears her parents' plan to rival. In the middle, Brian Macheath by selling him to the heath, even though he seems out law with her head poked of sympathy with the musical through a hole in the domestic idiom. Mr. Turner has come up out, she is left picturesquely the finale, giving the beggar stranded on top of a ladder (Peter Ellis) good reason for a under the night sky to sing a change of heart by reminding realises that a happy ending will ensure a run for his crea-

Harold Innocent and Margaret Only two of the countless Courtenay are a fine double act numbers really impress. They as the Peachums and there is are the duet of Polly and some deft choreography by Sue Lefton. But the evening suffers from a want of musical expergrounds of melodic tise the sort of affectionate familiarity; and the drinking realisation necessary when trio for the brothel keeper, modern companies take on a Peachum and Lockit, thanks to difficult work-however herthe gusty rendition of Rosemary alded by its reputation—that Leach, Harold Innocent and was the early fruit of a new Ronnie Stevens. The rest of genre, the ballad opera, cruelly the score is not sung expertly cut down, in this country at Instead of Lovat's permanent enough to make a good case for least, by the intervention of the stage architecture, the designer it, relapsing into tedious triple Lord Chamberlain in 1737.

#### Winter Garden, Broadway

# 42nd Street by Frank Lipsius

42nd Street was destined for Gower Champion, whose death ing, thoroughly professional way through the years, from distinction. It started its try. on the afternoon of Monday's director trying to get his flappers in pink feathery frills out in the summer in Washing.

The summer in Washing and the summer in Washing after 10 curtain calls the carrying objections of denoting platforms out onto the ton and brazenly premiered on 3 oadway in August, a full month before the traditional theatre season opening. It was meant to be big brassy and impressive, a reminder of a lavishmore stylish, time, when Broadway was not only lavish but also the epitome of what American entertainment could belt out, unembarrassed, to the world. After all, even originally director's heart. as a film, 42nd Street paid homage to Broadway and it still does, even with the lesser distinction of Broadway's having to honour itself.

Unexpectedly, the production doubles now as homage to its ing crescendo. director and choreographer, Jerry Orbach plays a sneer-

the production innocent of the circumstances of its creation, including Champion's working through growing ill-health and the off-stage romance between him and the show's new star, Wanda Richert, ironically playing an ingenue who lands the big Broadway part and the

The opening number. familiar scene of Broadway extraordinary with try-outs. offset by a few precision bumblers, stopped humorous And the enthusiasm built from there to a thunder-

audience after 10 curtain calls. the carping objections of dancing platforms out onto the That first-night audience was Tammy Grimes as an ageing stage. the only one that could judge starlet whose backwoods but her ankle to give Miss Richert rich boy-friend has put up the her chance for stardom, in money for the show.

Cleverly mixing rehearsals of with finished scenes, the play shows a reluctant Miss Grimes as she gradually gets into the swing of a number and ends belting it out to the ience. Orbach and his audience. assistant move spotlights in front of Miss Grimes and the chorus as they cavort round a huge screen to practise a number called "Shadow Waltz," playfully magnifying and shrinking the dancers while supposedly creating a new number.

And the dances are marvelicusly evocative of Broad- ful of inspiration.

When the starlet breaks comes the production number of "Give My Regards To Broadway." This cleverly begins with only Orbach singing and expands down the steps of the train to the station, from whence the would-be starlet is escaping, into a number that fills the stage—and the audience-with an anthem for the show and its lost creator.

Nothing better typifies the Broadway spirit for which Gower Champion will be re-membered than his last production, into which he poured 40 years of Broadway knowledge and a huge stage-Broadway

# BBC SO's

50th season The 50th season of the BBC Symphony Orchestra is planned as a major celebration of the orchestra's achievements. Gennadi Rozhdestvensky, its chief conductor, will conduct a series of concerts; four former chief conductors—Pierre Boulez, Sir Colin Davis, Antal Dorati and Rudolf Schwarz-each have a

concert in the season. On October 22, 1980, the orchestra celebrates its 50th birthday. The programme con-sists of Vaughan Williams's Symphony No. 5, Prokofiev's Violin Concerto No. 1, with Itzhak Perlman as soloist, and Stravinsky's The Rite of Spring. The orchestra will also celebrate the centenary of the birth

Festival at the Royal Albert Hall on April 1, 13 and 15. Bruce McLean at Riverside Studios

of Bela Bartok with a concert

of his music on March 25, 1981,

and will stage a major Berlioz

New works by Bruce McLean will be on display in the foyer at Riverside Studios, London, W6 from October 1-November 2. To coincide with the exhibition there will also be a series of live performances by the artist



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#### Moray House, Edinburgh

# Wielopole-Wielopole

by B. A. YOUNG

in someone else's personality, crucifixion and leads an event mixed with traditional

in different guises based on the same données.

cant additions, the Army and naked men. the Church. People, furniture

and events are distorted. quietly in a corner, and a Kantor's constant presence on mainland, will prese priest tied to the underside of stage, tidying the scenery and first contribution a bed. An old lady takes snaps pretending to direct operations festival.

in some helpful pages in his priest lies on the bed, which conducting the taped music, programme, for him reality is is turned over to free the first. seems to me either pointless or evoked not by illusion but by repetition — repetition with variation. A remembered soldiers; the priest brings on a character may turn up cloaked cross, big enough for a practical the soldiers off.

Similar scenes follow, in So in Cricot 2's production of which family life is blended Wielopole-Wielopole (the doub- with warfare and the Passion. ling of the name of Kantor's There are various crucifixions, birthplace is part of the repeti- one of a soldier wearing a tion syndrome) the childhood biretta over his uniform, and memories come clad successively we end with a fantastic Last Supper on a table extemporised from chairs and plants. It is The material consists of the attended by a mob of troops family group, plus two significant additions the two significant additions the same plants.

I don't find Kantor's work easy to follow, and its style is The opening scene, for antipathetic to me. The produc-example, runs like this: in a tion seems deliberately sloppy vaguely-defined room, Kantor's (though I can't believe it was family share their space with meant to be as sloppy as it squad of soldiers, sitting looked on Wednesday), and

As Tadeusz Kantor explains with an old camera. A second already often performed, even arrogant. There is no depth in the acting, which runs to funny voices and funny walks.

All the same, there is a curious fascination in this representation of distorted memory, though I can't help feeling that it is artistically contrived rather than genuinely felt. We can have another look at it soon the Riverside Studios, Hammersmith.

Chinese opera company for Hong Kong Festival A contingent of performing artists from China is to take part in the Hong Kong Festival

of Asian Arts to be held in the British territory from October 16 to November 1. The 88member Peking Opera second company, one of four major operatic companies on the mainland, will present China's the

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Industry

# FINANCIAL TIMES The U.S. steel town that BRACKEN HOUSE, CANNON STREET, LONDON ECAP 4BY no longer makes steel

Results of the profit squeeze

Telegrams: Finantimo, London PS4. Telex: 8954871 Telephone: 01-248 8000

Friday August 29 1980

BY ONE of those coincidences making a direct transfer from which rejoice the hearts of wages to profits. forecasters, but of nobody else, the National Institute of Economic and Social Research term fall in real incomes, which has today published a lengthy might reduce home demand for analysis of the likely results of a time, followed by lower inflathe ferocious squeeze now being tion, lower interest rates, and mounted on the profit margins finally a higher level of both of UK industry, within hours of output and real incomes than appallingly illustrative figures would otherwise be the case. from ICI. The forecast speaks This forecast will no doubt be of a general level of profits far adopted as a footnote to Minis-below the worst levels of 1974-terial sermons on the rewards 1975-the year in which the of wage restraint. squeeze was widely discussed as a "Doomsday machine." ICI, despite a rewarding involvement in the North Sea, has produced the worst figures for a decade. with a warning of worse to

#### Capital base

When even a well-managed company in a technically advanced industry suffers in this way, there is no need to stress the aptness of the more general warning. The deadly combination of recession, high interest rates and a high exchange rate is ripping a huge, jagged hole in the cash flow of UK industry. no means only in the small In inflation-accounted terms, firms cited in the review that profits over a wide range of companies will be inadequate to squeeze maintain the capital base of in-cedented effects. If the hope dustry, let alone pay dividends. now widely expressed of a much We are effectively maintaining more moderate industrial wage real incomes by squaudering round this year is fulfilled, our productive potential, con-some of the stresses in the suming both our North Sea capital and our industrial capital.

This is an almost unprecesituation, and National Institute has had to scrap the forecasts offered only three months ago, on the basis of its model, and take account industry's self-defensive

The result is a much sharper setback to production than previously forecast. Non-oil industrial output is now expected to National Institute has an unfall by five per cent this year, and by a further 11 per cent next year. GDP as a whole, thanks to oil and services, is fade. expected to fall by only two per year. Unemployment is forecast to rise more or less indefinitely. The sad thing is that simply a portrait of the UK economy as we now see it.

system"-hitherto known as an real message of this portrait of incomes policy-as a way of a profit-induced slump.

The result of this wishful exercise is predictable: a short-

However, in the real world an incomes policy is easily the least likely outcome of any consult-ations which the TUC succeeds in wresting from the Prime Minister. In the real world we must hope for salvation by some more probable means. In this respect there are some features of the National Institute forecast which may still be un-

realistic, and other features

which are oddly encouraging. What seems unrealistic is to assume, as this forecast does, that in the absence of a new approach to bargaining, wages will succeed in keeping up with past price increases. It is by unprecedented profit is having unpreeconomy will relieve them-selves. It is not only managements which react to new and intolerable realities.

#### **Borrowing**

The encouraging feature of the forecast is the prediction that the Public Sector Borrowing Requirement will emerge more or less on target at £9bn. despite the sharp recession now contained in the forecast. If this is achieved—and usually good record in predicting this figure—one nightmare now widespread in the City will

This in turn should pave the cent this year, with the tentative way for the most effective step beginnings of a recovery next the present Government could take to relieve the dangerous pressures to which private enterprise is now being subjected: there are no shocks here: it is a fall in interest rates, and con- work and a shattered tax base sequently in the over-valued exchange rate, thus simul-When real incomes are higher taneously relieving industry's than can be justified by output, cash flow and allowing some it is naturally tempting to look headroom for price adjustment. for an answer in terms of wages. While a reduction in inflation The National Institute, as usual, may remain the Government's summons up a vision of what it prime target, its speedy now rather coyly describes as achievement can be bought at "a reform of the bargaining too high a price; that is the

# Latin American detente

THE VISIT of General Jorge Figueiredo is faced with some Videla, the President of Argen- extremely tricky economic and tina, to Brazil last week was a political decisions if he is to success for the foreign minis- contain strong inflationary prestries of both countries. Follow- sures and continue with his ing the visit of General Joan policy of liberalisation. Figueiredo, the Brazilian President, to Buenos Aires earlier term is coming to an end at a this year it allowed both men time when his country's balto reaffirm that the govern- ance of trade is moving heavily ments of the two largest coun- into deficit, inflation remains tries in South America were rampant and there are question marching in step.

From both sides came the news that the rivalry between had kept them at loggerheads can expect no help from them with each other for generations on the principal problem which was coming to an end.

#### Bridgebuilding

The bickering over the use of the waters of the River Parana, which rises in Brazil and flows hundreds of miles through Argentina must now be a thing of the past, and the Brazilians can continue their construction of the great Itaipu Dam on the Parana undisturbed of the moment are not far to by any further querulousness from Buenos Aires. Brazilian cars and lorries must now be able to pass freely through Argentina to their final destinations in other countries. The door may now be open for greater co-operation in nuclear matters between the two

The diplomats in Brazil's Itamaraty Palace and in Argenevery right to be pleased with to play, whatever its present ally from late spring. the fruit of months if not years of patient bridgebuilding and Co-operation

quiet back-room work. It would however be a mistake for the outside world to read part cannot come to terms with more into these presidential the fact that Brazil, whose visits and the subsequent joint economic potential they tended statements than is contained in in the past to disregard, has them. Two swallows do not make long since outstripped them in a summer and two presidential many fields. Co-operation with excursions do not ensure last- Brazil goes against the grain ing good relations between 120m Brazilians and 25m Argentinians.

not be in any posito influence decisively course countries' fortunes for many and Buenos Aires will welcome more years. The financial situa- it. But he will not expect it tion of Brazil is bad and not getting better and General lasting or deeply felt.

In Argentina, General Videla's marks about the political future under a new military President.

The Argentinians have been carefully explicit that Brazil it faces, its foreign debt. Argentina has been willing and able to assist a small neighbour like Bolivia with its financial problems. But the size of Brazil's liabilities is such that Argentine help would scarcely be of any use if it were offered - which

Political differences between the two governments on matters seek. For instance, Brazil has condemned last month's military coup in Bolivia; Argentina fostered it and was among the first to recognise the new rulers in

At a deper level the rivalry between the largest country in may not have enjoyed a burn' South America. Brazil, and the on the 140 mph Hesketh 1000 most technologically advanced. Argentina, subsists. Brazil, because of its size, remains con- fine bike." vinced that it has a world role economic difficulties

Many Argentinians for their for many in Argentina. The fact that Argentina must accept Brazil as the senior partner in In the first place the Videla any alliance is one that many and Figueiredo governments Argentinians will take a long

time to accept.

The realist who observes the their new cordiality between Brasilia necessarily to be either long

RUMOUR run around A Youngstown earlier this week that President Jimmy Carter would visit the stricken Ohio steel town to announce his long-awaited pro-gramme for revitalising U.S. industry. It was, as it turned out, no more than a rumour. It is easy enough to see why the President avoided any temptation to use the scarred slopes of Mahoning Valley as his Gettysburg Address.

Youngstown, which 30 years, ago formed the core of America's second largest steel making centre. has not poured a single ounce of steel this week. having just witnessed the closure of the last of its basic steelmaking plants.

Mr. Carter's campaign promises, his theories about supply side tax cuts-aimed at stimulating business—and his expressions of hope about jobs would have sounded hollow to the 5.000 Youngstowners who have most recently paid the price of the industrial failure which the President is seeking to remedy.

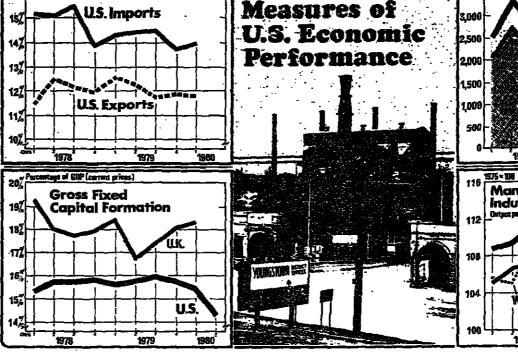
The suspicion that Mr. Carter is primarily electioneering may partially correct. It does not, nowever, alter the fact that he is the first post-war American President to be on his feet at vital task. Whether the country office working with consultants yet possesses the political will—
or the machinery—to tackle the
problem in anything other than problem in anything other man a haphazard fashion remains to hind a workers' co-operative to

But if the President had wanted Gettysburg—the bladdiest battlefield of the civil war, where Abraham Lincoln delivered his famous words of national unity—he certainly could not have found a more apt territory than Youngstown,

The national trends against which the President's policy is pitched—a capital formation to GNP ratio not much better than half that of Japan, erosion of the U.S. share of world markets. loss of leadership in research and development and stagnation of manufacturing productivity— are held up crudely to the light in Youngstown.

In the middle of 1980, Youngstown finds itself shorp of most of the basic industry which has sustained it for a century. It is 10,000 jobs worse off in a town Youngstown itself, the only countries are accused of subsicent of its labour force out of and the city's bricks, in fact the Japanese have just been plain which is nushing the town towards a possible fiscal crisis.

The area's second most important industry, the motor out machines, some of them still business. is still deep in the steam powered, and a 70-yeardoldrums and in an attempt to old steel production system make fiscal ends meet, the city's based on the energy-squander-Mayor is about to sack over a ing open hearth system. tenth of Youngstown's public employees, shutting three fire ambulance service. Almost major facilities—US Steel and 16,000 families in the Mahoning two local companies later taken dread stage of the American not to modernise. system by signing up for wel-



bits," sas Mr. Bob Vasquez, the production elsewhere. A plan mild 32-year-old Puerto Rican for a waterside plant on an who until a month ago was pre- internationally competitive scale sident of Local 1330 of the at Conneaut, two hours drive least acknowledging that the United Steel Workers of north of Youngstown beside regeneration of America's basic America (USW). Today he is Lake Erie, still sits in the commanufacturing industry is a sitting in the almost bare union pany's planning department, capital tal requirements. others. re-open the two most recently

closed steel works. Down the hill from his office. which he is under notice from his own union to quit. is the brick Victorian girls' school of a building which was the Youngstown headquarters of United States Steel, the largest steel company in the country, streets. and which in January was occupied for a day by angry steelworkers protesting against the company's shutdown.

#### Fate sealed by decision Beyond that building is a 25-

only evidence of anything new efficient. at all, are the pink and green Behind those boards lay worn-

Youngstown's fate was settled more than a decade ago, when stations and suspending the the three owners of its four Valley have reached that last over by conglomerates-decided

U.S. Steel's argument against The town is just falling to investment in high volume steel lems.

north of Youngstown beside unable to meet return on capi-

pressing Washington into the a startling one-sixth the rate kind of supply side, businessaimed, fiscal incentives President Carter partially promised yesterday. The industry told the President in January that without such a package, by 1990 some 40 per cent of steel bought in the U.S. would be foreignmade and that 90,000 steel workers would be on the Youngstown, in this context,

is the steel industry's proof that it was not bluffing. Blame

boards over the mill windows. tration has had to face constant have now to pick up the pieces also the traditional centre of suggest? the Democratic vote.

the election. But the whole belt of states from Illinois statistics that have concentrated the President's mind.

What has alarmed the admin-

istration in particular are the figures for productivity and formation. Average manufacturing output per hour grew between 1977 and 1978 by Steel, along with only 0.6 per cent, worse even has concentrated on than Britain's 1.8 per cent and of the improvement in West Germany. [Since then, as the graph above shows, there has been some change for the better in the American position.]

Even the American reputation for innovation appears threatened. The Comptroller noted that the proportion of U.S. spending on research and development to GNP has been on a declining trend since 1963.

Of course these figures mask very widespread disparities. The is easily and frequently laid, picture looks very different in Management has been weak, in- the confident states of the sun bred and insular. Labour has belt, the southern third of the been intransigent and too ex- United States which has seen pensive. The Government has so much growth in the past 10 assembled expensive anti-years. The aerospace computer pollution laws just as steel was and telecommunications indusmile strip of the tangled being forced by the end of oil tries are probably as strong as cathedral-like contraptions of and gas price controls to live they have ever been. Even the industry around which in the world of high cost car industry's current problems, Youngstown was built. In energy. Meanwhile, European grievous though they are, cannot Youngstown itself, the only countries are accused of subsi- yet in any sense be described But for Youngstown and

like it with a long indus-This year the Carter administrial tradition behind them criticism from Sen. Edward as the administration seeks to Kennedy that it is not paying understand the full extent of enough attention to the needs the industrial malaise and to do of the North-East and the Mid- something about it. To put it West, where most of the declin- another way, is America really ing industries are concentrated. on its industrial uppers as some It is no coincidence that this is of the current rhetoric might The answer from Youngs-

Ohio, for example is a state town, through the thinning that President Carter knows that sulphurous cloud which has he must carry if he is to win overhung it for generations is a widespread if hesitant no. Part of the reason for this fare—nearly twice the level of modernisation was the need to across to New York face, in confidence is the speed with profits. two years ago.

conserve funds for grander varying degrees, similar prob- which the local economy. The appeared to absorb the shock of

known to some during his days

as a director of Slater Walker,

has been buying and selling the

odd share in what he describes

to me as a "sensitive" way

since he left the alma mater

five years ago. Initially, be

worked in tandem with William

Booth, with whom he shared

corporate finance responsibili

ties at SW. But their ways have

since parted as shirt-maker Booth's tastes turned towards

private companies and Wasser

man's towards public ones. His

current interests include stakes

Lampa Securities and motor

parts company Howard Tenens. Wasserman is interested in

principle in acquiring control

of a public company—though Goldman, he insists, "isn't the

one." The reason for his being

in there, he tells me, is a long

standing relationship with Gold-

man directors. He may, he con-

cedes, influence company policy

seeking an executive role.

in a small way." but he is not

Wasserman is far from the

first of Jim Slater's merry men

to put his head back above the

parapet: and the market has

generally offered a warm wel-

come back. Goldman shares moved up 3½p to 17p when Wasserman's interest was dis-

closed, while the activities of

Slater and John Bentley have

beefed up interest in the Teb-bitt Group and Laganvale

While personalised number

plates are more commonly seen

in the West End than in the

sober streets of the City. I sus-

pect that the proud owner of

MLR 1 would probably turn a

few heads in Threadneedle

Street. It currently ornaments

an up-for-grabs custom Range Rover, owing more to the name

of owner Michael Lee Rothman

than to economic symbolism.

Rothman is inviting offers for

the turbo-charged velvet-lined

supercar, and would consider

throwing in the plate "if the price was right."

Estate.

Interesting

voluntaryily - liquidated

But it is not just the political four closures in 1977. A year later unemployment was actually lower than before the closures, at 6.9 per cent. Youngstown had not grown in line with the rest of the U.S. economy, but at least it had not sunk further.

The prime reason for this, was the expansion in 1978 of a nearby General Motors' plant, which together with the stimulus given to the area's smaller companies by the then motor industry boom, sucked in most of the surplus workers

#### More willing to leave

But with the motor industry now in deep slump, and Youngstown's service sector hard hit by recession—several shops have closed down, the only city centre hotel is bankrupt and large spaces in a downtown precinct remained empty since 1976the problems are much bigger this time around.

The local employment office reports that steel workers today are much more willing than in to consider leaving the area altogether and abandonthe strong and stable Italian-East European ethnic Washington and the State

Government of Ohio both acted too late last time to be of much help, but since then developchance to show some successes. A small part of one of the first steel mills to close is open again, making railway spikes. A rubber hose company which collapsed in August, 1978, has reopened under 40 per cent worker ownership, and with a \$1.25m loan from the Federal Government. It is also making The plum deal, if it is com-

pleted, is a 1,500-job venture new job.

by the Commuter Aircraft Company to build small aircraft in Youngstown, again with the help of Government loans guarantees, amounting to \$30m. This company considered locating in California, the traditional home of aerospace, but a shortage of skilled labour in the economically strong West Coast made even steel town wages seem reasonable by comparison.

One reason for the successes has been active ferreting by groups of local small businessmen, with whom Washington apears to have co-operated suc-

But that does not prevent others from feeling that more radical solutions such as Bob Vasquez's Community Steel venture are the way forward. The idea of a co-operative took roots three years ago, mainly then at the initiative of the highly active and influential Youngstown churches.

Since then, however, what has evolved is a sense that old attitudes must bend to the crisis and this has produced a widespread questioning of U.S. Steel's record of non-investment and shutdown. This pragmatism has led the men of Local 1330 to find ways of reducing proposed manpower for the reopened plant by almost onethird, mainly by cutting holidays, and to cut overheads by more than 20 per cent.

It is also pragmatism which has driven the USW leadership to allow two of the industry's weaker companies. Kaiser Steel and Wheeling-Pittsburgh, to be exempt from some of the pro-visions of the costly basic steel wage contracts, which afford workers around \$14 an bour in wages and benefits
The Youngstown men feel

bitterly let down by their union leadership, whose only public act in response to their plight has been to scrap the Youngstown union district and join the industry in pressing the White House for tax breaks and other assistance. The American system is one

of extremes. For the first si mouths to a year after redundancy each jobless Youngstown steelworker will take home around \$250 a week—depending on length of service and seni-ority—in unemployment bene fits. This retained spending power eases the shock on the local economy, reduces tension among workers themselves but sets a deadline for the individuals involved to find work. Welfare and food stamps are available beyond that, but are paid only to those who are demonstrably poor,

All this has fed into the ment agencies have had a atmosphere of a town which although it has grown shabby at the centre is not desperately decrepit. Through it all, runs a belief that from somewhere near, or if necessary from further afield, in the vast diverse and in many areas still thriving U.S. economy, something will turn up. If it comes to the last straw men can migrate a thousand miles without language barriers to find a

#### Keen guest in Hesketh fold

As the finely-tuned Hesketh superbike revs impatiently on the starting-line, who is that his leathers and leaping aboard? It is, unmistakeably, Sir Barrie Heath, retired GKN chairman, vice-president of the Society of Motor Manufacturers and Traders, and now a non-executive shelter director of Hesketh Automotive Products.

Heath will bring to the Hesketh board a valuable industrial and City background as the fledgling company prepares to go public and move from Hesketh's picturesque estate to a factory at Daventry. Heath came to know the energetic racing-driver lord through GKN's involvement in the motor industry, and, he tells me, when they cast a fly over me, accepted."

Was Heath, an enthusiastic "You obviously don't know my wing-loading," chuckled. "otherwise wouldn't ask." But while he Vee Twin, Heath is confident of the virtues of what he calls "a will be some 2,000 models annu-

#### **Togetherness**

shelter, says Michael Noble, will drive the inmates "whacky." Better barmy than irradiated, say I. But Noble, managing director of ICE Selett Interidea --- a radiation-proof hideyhole with neighbours.

He has asked Selby Council for permission to bury a rabbit warren shelter system under the grounds of his home at Ryther Hall in rural Yorkshire. To local council was charging the machine produced a gentle accommodate 50 families, their cats, canaries and goldfish, each norm—on the empty huildings, news that one Ian Wasserman family unit will be serviced by says British Land director Cyril now holds 11.06 per cent of family unit will be serviced by says British Land director Cyril a central control office and share Metliss. The clearance of the troubled clock and hardware luxuries such as a medical site, he adds, does not signal a wholesaler H. Goldman, centre complete with doctor, start to development, although "Ian the Deal," as

cinema. They will be built by his company, which specialises in instrumentation and fibreglass buildings for industry.
"With a network of units."

he tells me, "It becomes feasible to install sophisticated equipment and an expertly manned central control, to bring down the cost and give some sense of community during the holo-While an individual caust." with comparable counter-Apocalyptic ments would cost £18,000, Noble says his will go for less than £10.000 each plus an annual maintenance charge.

With firm orders for the first eight home-from-home on his books, and fingers crossed for nod from the council, he bubbles at the prospect of dig-ging up the whole of his 5%-acre estate and planting it throughout with 300 of the 50-family modules. Come the bombs, he is hardly likely to be bothered men from the council comyachtsman, also a motorcycling plaining about overcrowding.

#### Going, going . . .

The squeals from the art deco protesting at the razing of Firestone's lavatorial factory on the Great West Road, may, I suspect, have drowned out the din of demolition elsewhere in the land. Pillars of our industrial heritage are falling like nine-

Out in leafy Buckinghamshire, British Land, having won Isolation in a one-family nuclear a long battle against preservationists' has launched the buildozers into the 120-acre site containing the remnants of the UK film industry. Former home of Sir Alexander Korda's cellunational in Leeds, has a better loid empire, and birthplace of ing me to topics of interest Sabu the Elephant Boy, the among the doings which cross nine hangar-like sound stages of my field of vision, has a long

called in simply because the of discloseable shareholdings, " penal `



Mrs. T. -- a shorter working week for Sir Geoffrey, Sir Keith and your-self would be a very constructive start!

interests have been

acquired together with planning consents and we are considering the alternatives now."

Further north, meanwhile, the battle rages between civil engineers W. and J. R. Watson and the West Lothian District Council over the future of five heaps of shale spoil. Known locally as The Five Sisters, the council wants them scheduled as ancient monuments while the Watsons insist the rubble will serve Scotland better as filling material under a motorway.

#### Back to the front

The Men and Matters Name-ometer, a highly sophisticated early warning device for alert-Denham Studios are being and retentive memory. So it flattened. The demolition men were the normally uninspiring news rates - double the squawk when it digested the

"Ian the Deal," as he was

**Observer** 

# FIGHT BACK **AGAINST CANCER**

It is good to remember that most people live their lives untouched by any form of cancer.

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The Appeals Secretary, Room 23 imperial Cancer Research Fund, PO. Box 123, Lincoln's Imp Fields, London, WC2A 3PX

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# The war of words over Jerusalem

JERUSALEM has often been and Second Temples. For dubbed the city of peace. But Christians it is the scene of more wars have been fought many of Christ's greatest over it than possibly any other moments, and for the Moslems city on earth. The current war it is the place from which is one of words, involving diplo- Mohammed ascended to heaven. matic resolutions, parliamentary proclamations and often wildly these religions have any coninaccurate claims by various

together a lasting peace in the shops, dusty building sites and Middle East have always recog-sometimes explosive communal nised that Jerusalem would tensions, as well as picturesque prove the most intractable issue alleys and modern suburbs. of all. For that reason they have tended to put it to one long and bloody history the side, preferring not to think city was divided by barbed wire about it until everything else and brick walls, Jordan conhas been settled.

claiming Jerusalem as the eternal and indivisible capital of Israel has forced the future of the city into the centre of the picture. In the process the Israeli Prime Minister has reawakened Western concern about the fate of the city and created a receptive ear for Arab protests, largely ignored in the past, about its status.

Most of the 13 countries with embassies in the city have now announced that they are moving which developed, while in to Tel Aviv, including, most recently, the Netherlands which been among Israel's of the modern development. staunchest supporters.

In the city itself the "Jerusalem law" changes little. It exciting thing to do in the city merely underlines a succession was to take the bus to Tel Aviv of changes which began 13 For Jordan, Jerusalem was a years ago when Israel captured, and immediately annexed, the Arab half of the city. Since tourists and pilgrims who came then Israel has tried through from all over the world to visit massive building programmes to the holy sites. extend and deepen its hold.

Holy in varying degrees to back into contact with brutal three religions, Judaism. Chrissuddenness in June, 1967, and tiabity and Islam. Jerusalem is as much a symbol as a reality. Arabs stared in amazement at

But few adherents abroad of cept of the real city of today with its horn-honking traffic Negotiators trying to patch jams, its small and often grubby

For a mere 19 years of its trolling one side and Israel the But Mr. Menahem Begin's other. Yet the reality created decision to throw his weight during that period between behind a private member's bill 1948 and 1967 left a lasting imin the Israeli Parliament pro- print on Jerusalem. When the claiming Jerusalem as the Israelis conquered the Jordanian Arab half of the city in 1967 they found a city totally different from the one they knew.

Being right on the border and some distance from the commercial centres of both Jordan and Israel, the two halves of the city had become small, almost forgotten back-waters. In Israel it was Tel Aviv and the coastal plain Jordan it was Amman and the East Bank which enjoyed most

The pre-1967 joke in Israeli Jerusalem was that the most was to take the bus to Tel Aviv. recreated with loving care. For Jordan, Jerusalem was a regardless of expense. Suburbs city of merchants catering to the bundreds of thousands of The two sides were forced

the sbock was mutual. The For Jews it is the ancient city the Israeli traffic lights and of Arab population living inside part of the city, while over of David and site of the First girls in hot pants. The Jews it. To the west of the city is 100,000 Arabs live in the Old

SYMBOL AND REALITY: The offices being built in the Arab sector of Jerusalem for Mr. Begin and (right) a police officer on duty outside the Prime Minister's home arrests a demonstrator protesting about the detention of the right-wing Rabbi Meir Kahane.

of shops overflowing with lowpriced Western goods.

Thirteen years of living side by side has done little to bring Arab and Jew closer, but much to deepen the chasm. Israel's determination to strengthen its

The Jewish quarter of the Old City has been restored and of fortress-like apartment blocks have been built in a semi-circle around Arab East Jerusalem, both to defend it from attack from the East and to enclose the Arab sector within a wall of Jewish presence.

The result is that today Jerusalem is a widespread city and the excusively Jewish of Jewish suburbs with a core suburbs built in the occupied

Palestine, and the West Bank, increasingly angry at the spread of Israeli concrete.

Although Israel "annexed" East Jerusalem in 1967, even Israeli jurists have questioned the validity of this action. The control over the city has Israelis themselves, as though alienated the Arab population. equally aware of the fragility of their claim to the Arab city, have allowed the Arabs of East Jerusalem to continue studying according to the school curricuhum of Jordan. Citizenship was offered to the Arabs, but when they failed to take advantage of this gesture nothing was done to force it upon them.

> So Jerusalem remains two cities. A quarter of a million Jews live in West Jerusalem.

were taken aback by the range Israel, to the east the world of City and the eastern suburbs which have remained totally Arab. The physical border may have been wiped out by Israeli building, but every Arab and every Jew knows the moment he has crossed the nowinvisible partition line.

> Viewed in terms of naked power, Israel made a major error in 1967 by not driving out the Arab population and later dressing this up as a voluntary exodus. But the Israelis were so surprised and excited to find themselves in possession of the Arab half of the city that they did not think about the future problems which this conquest. not only of a city but also an alien people, would bring. Today Israel could not possibly attempt such a solution to the problem of Jerusalem without creating a furore even among its allies, such as the U.S.

UK: Mr. Ian MacGregor.

British Steel Corporation chair-

man, has first meeting with

Mr. Alhaji Amadu Fika.

Nigerian Federal Ministry of

Commerce, speaks on import and

British Chamber of Commerce.

sculpture

69, Cannon Street, EC4.

GENERAL

Steel Committee.

Even the largely symbolic action of proclaiming the whole city as Israel's capital now brings a storm of protest. Mr. Begin does not appear to have appreciated this changed reality. or if he has, he does not care about it. Still living the strug-gle of the 1940s, he pursues his goal of restoring all the "Land of Israel" to Jewish control, believing that the West's guilty sympathy towards the Jews has somewhat evaporated in an oil-

By supporting the private member's Bill on Jerusalem Mr. Begin has drawn worldwide attention to Jerusalem and Israel's actions and succeeded in producing an exodus of ambassadors from the city which Israel wants all the world to view as its capital.

hungry world.

Jerusalem is the capital of Israel has been a hard one, to himself, and perhaps deeply the nation's capital.

The Netherlands, which had ong shown great sympathy for presidential election. Israel, upgraded its consulatestate followed suit. In the But the total number never developments in the city. exceeded a baker's dozen.

Ironically, some of the most vociferous Israeli proponents of tions of the Arab population. Jerusalem as the capital actu- They have unavailingly proally prefer to base themselves tested and demonstrated for in Tel Aviv. Mr. Begin lived years against Israeli occupation: in a small flat there for three decades, moving to Jerusalem only in 1977 when his electoral victory provided him with an official residence in the capital.

Members of his ruling Likud to move to Jerusalem tend to become tongue-tied when they are asked why the political party headquarters are still in Palestine.
Tel Aviv. Despite the trumpetmercial and cultural hub of the orchestras and art galleries.

Nevertheless, Mr. Begin salem must remain the country's the former ruling party shares Arab leader to seek peace with

But for reasons best known Because it was destined to be buried in his psyche. Mr. Begin internationalised under the par- has chosen to take actions tition plan of 1947 no state which have made Jerusalem an recognised officially Israel's issue now, when the negotiasubsequent claim that it was tions on Palestinian autonomy are frozen and only a few months remain before the U.S.

By passing the Jerusalem law general in Jerusalem to he has made future negotiations embassy level. But no European on the fate of the Arab part of the city even more complicated 1960s Israel persuaded many of and has also forced Israel's the Latin American states to main supporter, the U.S., to pay open embassies in Jerusalem. critical and public attention to

> The renewed interest in the city has also raised the expectayears against Israeli occupation: now they hope the world has finally woken up to their plight.

Despite the thousands of jobs which they find in Israeli enterprises and the Israeli social benefits paid to them, the bloc, who badger journalists. Arabs of Jerusalem still fee' organisations and businessmen and know that they are not: and know that they are not : part of Israel They still hope that the city they are living it will one day be the capital of

After 13 years of Israeli ing about Jerusalem, it is Tel occupation, of ineffectual inter-Aviv which remains the comnational protests, resolutions and condemnations, the Arabs country, housing the big com-panies and banks. theatres, international solution to their problems in Jerusalem.

They know that Jerusalem is claims that there is a broad con-sensus among Israelis that Jeru- and few of them see any way that the situation can change undivided capital. The fact that without the use of counter-the Labour Opposition voted for force. Many Arab residents the Jerusalem Bill indicates that hanker for the old neighbourliness of the days before Israel that belief. Even President was created. But peaceful co-Anwar Sadat of Egypt, the one existence between Arab and Jew in Jerusalem can Israel, admits that the issue is genuine only when each has the world to view as its capital. so complex that it were better same political rights, when The struggle over the years left till last of all the topics neither group is dominated by emphasise the fact that to be negotiated.

#### Letters to the Editor

#### Ability to pay

From Sir Alan Neale Sir,-In his Lombard column of August 26 Mr. Brittan points to the ability of some State concerns to pay higher wages by raising monopolistically their charges to the consumer " and wants to have the decision to do so made by Ministers. There is a strong suggestio falsi that the private sector cannot do the same but there is a vast protected area that can and

Let me give just one example. I protect the contents of my house by a Lloyd's householder's policy arranged through a well-known, wholly reputable and "competitive" broker. Since 1970-71 we have added (modestly) to our possessions and sought to keep the value of the contents in line with inflation, so that the amount covered is now four times what it was then; this must be about par for the course. The premium for 1980-81, however is 15 and a half times what it was ten years ago and no less than seven times what it was three years ago. State monopolies indeed!

Your readers may like to find other examples of what they pay now for their barbers, their plumbers, their auditors or for that matter for the Financial Times compared with ten years ago. In one sense these services "competitive" in that we can switch suppliers, though not readily to suppliers abroad; but once a high rate of inflation takes hold and prices have to be raised regularly, it is clear that price competition breaks down in the protected sector and generous "going rates" get established. It is wilful blindness to facts of this kind which wholly misleads commentators and some policy makers as to the way the "market economy" will react to monetary measures.

Alan Neale, 95 Swains Lane, N6.

#### Freedom to organise

From the General Secretary Clearing Bank Union

Sir,-As the general secretary of a non-TUC union, may I add my name to those who applaud the actions of Polish workers in their fight to obtain free trade unions. My union is non-political and it is as an individual that I suggest that the courageous fight by Polish workers is an inspiration to all of us who are involved in representing employees in industry. I am sure my members who

are not in a closed shop but have exercised their rights and privileges in a democratic society by entering membership of an independent union, will join me in wishing our Polish colleagues the same rights that they enjoy.

congratulations go to Jackson and Frank My congratulations Chapple who have exhibited the true mark of both trade union solidarity and, perhaps even more important, continued the traditional attitude of the Polish people towards oppres-

sion whatever its source. The TUC leadership has not done anybody any favours. least of all those in this country who would like to see it more effectively represent its mem- media. ber unions in the most difficult

economic circumstan---ness of my own union which

Jack Britz, Clearing Bank Unior Wootton House, Wootton Gardens Bournemouth.

#### Mortgage funds

From the Secretary-General, Building Societies Association.

help home-buyers. building societies should stop opening branch offices and devote the money thus saved to the provision of additional mortgage loans. The societies have found from long experience, however, that the best way to attract savings from the public is to open branches in good locations. These branches also act as a nucleus for recruiting investments from professional contacts in the area.

The branches need a runningin period, but within two or three years they are paying their way and providing an in-creasing flow of funds for homebuyers. Surely it would be a short-sighted policy to stop such capital investment. The funds generated over the years will be far in excess of the immediate

Mr. Liss also suggested that I should look at the cost-efficiency of my members. In 1979 management costs for the whole movement stood at £1.05 for every £100 of mean total assets a figure well below that of any comparable financial insti-

Norman Griggs. 34, Park Street, Mayfair, W1.

#### Covered market

From Mr. M. Matthews Sir,—Mr. D. Liss's letter (August 27) on the subject of

very loud bell.
Whenever I find myself provoked by a building society, it is my practice to point out that since they all provide substantially the same services they could do it much more economically by renting a joint office and each having a small booth in it, thus combining all of the building society offices under one roof, making it much easier for everyone to deal with them. For some reason this always seems to induce a state of apoplexy, but on logical grounds I can never understand

building society offices rings a

why. M. C. Matthews, Matthews and Matthews. 13, Princes Street, Dorchester, Dorset.

#### Personal savings

From Mr. C. Beney

Sir,-The negative approach of the secretary general of the of the secretary general of the Building Societies Association furled, braked or shut down. The (August 22) must be countered old miller who lived in his wind-He says there is no way build- mill heard the wind increasing.

He neglects to indicate the small fixed sail windmills for Edgbaston, Birmingham.

for key assumption implicit in this farm pumping do not survive decades. It is with no pleasure statement—namely, that build-long as experience in Malta, that I see confirmed the right- ing societies savings will always Mallorca and U.S. shows though be taxable (albeit somewhat when sails were made of sail decided not to seek TUC alfiliation under standard rate for cloth as in Portugal they would tion.

Standard rate payers). Why rip and so save the mill. should this be so? Now that capital gains tax has effect or helicopter technology with its

> on the gain (interest) on fixed capital? After all, the "gain" in both cases has mostly proved a loss in real terms. The present "gross" rate from building societies is close B. Wood. to the inflation rate and even if 16. Park House Gardens,

it were not, borrowers get such Twickenham. a bargain that, long term, they could stand a higher charge thus Sir. - Mr. David Liss seemed allowing a higher payment to At present we have the ludicrous situation that potential first time house buyers have enormous problems in saving the deposit, etc., simply because From Mr. N. Horwood. any savings they do make,

can collect enough together. So if both building society and to invest in industry? Government deposits were tax and inflation free or nearly so then younger people would choose building society in order to get mortgages and much real new money would be attracted. In the context of possible massive sales of council houses this approach might avoid a serious short-term mortgage

If the fiscal limits were set approximately (eg. £5,000 maxi- attention immediately. mum in a building society treated this way) then those not seeking mortgages would turn to a government scheme for any sums available above this limit. There could also be some interesting interaction with pension funds—but that is another story.

C. B. N. Beney, 12, Woodlands Road, Bushey, Watford, Heris.

#### Power from the wind

From Mr. B. Wood

Sir,-About 35 years ago there was considerable interest in of the members of the Governwindmills for electric power generation. The first large unit at Grandpa's Knob in the U.S. policies, especially through the soon smashed up. The 1 MW medium of TV. The majority of at Orkney was luckily distorbed when a big wind came the virtually sole exception of Thatcher, appear to be in in about 1947 and was never Mrs. Thatcher, appear to be in reinstalled. Darrieus in Paris a permanently defensive cold had built a whole series of sweat. Often they seem to be aerodynamically clever wind-uncertain of their facts, and mills from 1902 to 1936. They have to resort to platitudes and all blew down. That was why clickes, which, alongside the he abandoned the horizontal axis type in favour of the verti-stroyers of the Left, make them cal axis egg beater which can be guyed. Recently two large windmills were built in the U.S. and both blew down im-

The explanation is that the power in the wind through a given area varies as the cube of the velocity. A constant speed windmill cannot use low velocities if it is designed to utilise moderate velocities at good efficiency for power. cannot use high velocities. It has a rather narrow range of application. Above a certain wind velocity the excess power must ing societies could compete with if lucky, and took appropriate a chance. inflation proofed Government action. That is why a few of Norman Horwood. them survived for years. Even 11, Melville Hall, Holly Road,

The evidence is that aircraft tively been abolished for the low factors of safety is insmall personal saver, is the time appropriate to windmill work not ripe to abolish income-tax. Do the authorities who are now proposing to spend public money on windmills know about this and are they taking suitable precautions or heading for another predictable flasco?

#### investment in industry

Sir, - The question which simply shrink away before they must be answered, and soon, is - why is there such reluctance

> There is really only one answer - the potential investor cannot see an improvement in the economic or social climate of the UK in the foreseeable future. Something must therefore happen to reverse the present trend, and the something must be unambiguous and clear to academics and laymen alike. In my view there are two matters demanding Government

The first is the rate of interest charged to industry, and the second is the credibility of the Government as projected by its public spokesmen.

I can see no reason why industry should be forced by Government to pay usurious interest, and the rate charged to industrial borrowers should be in the region of 50 per cent of minimum lending rate. This would put the cash flow where it can do most good, into the hands of the primary investor, not the fuddy duddy banks.

While the great majority are sick and tired of the destructive activities of the far-Left mili-tants and their political hangers-on, they are also disenchanted with the miserable performance ment who have the task of preloud-mouthed, articulate deseem inept and incompetent. This reflects on the Government as a whole, at least to the ordinary viewer. I can only hope that the Prime

Minister can so restructure the Cabinet and the team of spokesmen that she does not lose the services of the highly experienced but counterproductive image-projectors, while achieving the creation of a credible public spokesman. She should herself be seen far more often. even on a regular basis, but always in a structured discussion situation, not some random visit with heckling well organised.

But first let's give industry

#### **Today's Events**

selected by John Hoyland form COMPANY MEETINGS the annual show opening at the Hayward Gallery, SW1 (until

Trades Union Congress Iron and October 12). Aviation Week and Space Technology presentation dinner Permanent Secretary at the for the John Curtis Memorial Sword Award presented for signiexport growth to the Nigeriancant contributions to Anglo-American aerospace co-operation, HMS Belfast

Road Haulage Association Overseas: America's Cup Challenge final round, Newport,

holds its first weekend workshop on Heavier Vehicles and Tachographs, Blackpool (until August

National People's Congress

Peter Brotherhood, Winchester House, 100, Old Broad Street,

EC, 12. London Investment Trust, The Howard Hotel, Temple Place, WC, 11.30. R. W. Toothill, Durham Way, Aycliffe Industrial Estate, Darlington, Co. Durham, 12. Marston, The and Evershed, Shobnali Road, Burton-on-Trent, 11.30. COMPANY RESULTS

Final dividends: Barker and Gripperrods Holdings. dividends: Alcan Interim Aluminium (UK). BBA William Jacks. Scottish Northern Investment Trust Wagon Finance Durham.

Corporation.

MUSIC, London Malcolm Burnock Orchestra

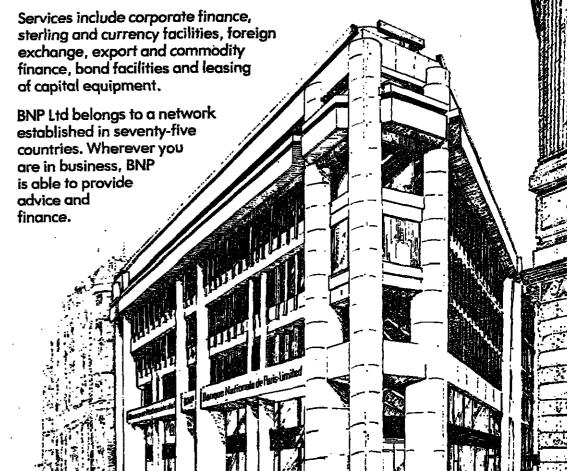
ays, Tower Place, EC4, noon. Cello recital by John France St. Lawrence Jewry, Gresbar Concert by the Anglo-Swedis Baroque Ensemble at the Britis

Music Information Centre, 1' Stratford Place, W1, 7.30 pm. Cornbill Insurance Cricket: Test-England Centenary Lord's (unti Australia,

September 2). British Golf: Amateur Stroke-play Champion ship, Brancepeth Castle, Co.

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# Plessey ahead 42% to £18.7m in first quarter

FIRST-OUARTER prex-tax profits of the Plessey Company rose 41.6 per cent to £18.665m with the main increase arising in the UK where most businesses improved. particularly in telecommunications main exchanges.

		ne 30
	1980	1979
	0000	£000
Sales		
Telecommunications:		
Main exchanges &		
Jorgaiment	50,500	40,200
Office, data, control	_	-
systems	28,300	25.390
Electronic systems	56,500	49,100
Microelectronics, com-		-•
ponents	29,000	26,200
Hydraulics, aerospace.		
engineering	29,200	26,400
Consumer electronics		2,800
Total sales	193,500	
Operating profit	,	
Telecommunications:		
Main exchanges &		
transmission	5,481	1.996
Office, data, control		••-
aystems	1.872	2.769
Electronic systems	5.523	4.853
Microelectronics, com-		
Conents	3.300	2.181
ponents	-1444	
angineering	3,186	2,536
Consumer electronics		285
Total operating:	19.362	14.052
Associated companies	744	809
Interest receivable	1,475	857
Interest payable	2.936	2.548
Profit before tax	18.645	13,170
Тэх	6,645	4,700
Net profit after tax	12,000	8.470
Minorities	280	263
Earnings	11.720	8,337
* Loss. † Alter depr	ecialipo	£5.53m
(C5,59m).	_ 3 <b>3</b> 11	
Overseas profits i	mprove	d and
	00	

in aggregate were 33 per cent higher despite the continuing strength of sterling and losses in Brazil.

The directors say the order intake has continued at a satisfactory rate and at the close of the quarter, there was a total order book of £1.06bn, up 28 per cent on last year.

Group sales for the first three months increased by 13.8 per cent from £170m to £193.5m.

Earnings for shareholders were £11.7m, representing earnings per share of 4.92p for the quarter, an increase of 42.2 per cent over earnings per share of 3.46p last year.

Mr. Peter Marshall, the group's deputy chief executive said later that cash inflow continues strong and is ahead of hudgeted levels. Less money has been borrowed and this is contniuing to im-

Closure and redundancy costs



Sir John Clark, chairman of Plessey . . . order books at

to recession. Commenting on the Iraqi

electronics contract, he said it had now "almost certainly been lost." Plessey was not prepared to risk shareholders' money on the contract, under which it

said the group had now moved would have to take full responsi-out of most of the areas prone bility without aid from the bility without aid from the Government, which was not

> But the loss of the contract will have no negative effect on the group, he said.

Lex, Back Page

#### Mixconcrete trebled at midway but demand falls

from the UK

First half 1980

June 30, a record £1.06bn, up 28 per cent on last year.

BETTER WEATHER conditions during the winter months were largely responsible for a jump in pre-tax profits of Mixconcrete (Holdings) to £731,000 in the half year to May 31, 1980, compared with £242,000.

But demand has fallen in the second half as the Government's economic measures take effect, say the directors, and against this background it would be unwise to predict the outcome of the year as a whole.

At the beginning of the year. amounted to around £2m in the they warned that the contracting first quarter and Mr. Marshall industry was ahead of its pro-

Sales

First half 1980

£2,975 m

The Board of Directors of

Imperial Chemical Industries

unaudited trading results of

figures for 1979.

Sales to external customers

United Kingdom

the Group for the first half year of 1980, with comparative

1980

Fast Holf

21

151

Limited announce the following

falling demand by the last quarter. Nevertheless, they experted at that stage that the full year profits would be comparable with the £2.31m for 1978-79.

Turnover of the group, which makes and supplies ready-mixed concrete, sand and gravel, con-crete pipes and other building materials, went ahead from £15.28m to £21.3m in the first half. Tax took £380,000 (£126,000).

The interim dividend is held at 1.55p net—last year a total of 4.05p was paid.

**Profits** 

elore taxation & grants

First half 1980

£224 m

1980

First half year

# H & J quick slumps halfway

WITH interest charges rising from £369,000 to £628,000, pretax profits of H. and J. Quick. passenger and commercial vehicle dealer, suffered severely and fell from £848,892 to £103,000 in the six months to June 30,

In his annual report the chairman said there were difficulties ahead and adequate profits and returns on investments would be particularly difficult to achieve. He said the first quarter's results

He said the first quarter's results for 1980 compared favourably with the same period last year.

After tax down from £31,000 to £15,000, stated earnings per 10p share have dropped from 14.91p to 1.2p. The interim dividend is more than halved at 0.53p (1.06p)—last year's total was 2.29p from pre-tax profits of £1.16m.

#### comment

A Ford dealership is no longer a passport to profits growth.

H. and J. Quick, the first quoted Ford dealer to report figures for the opening half of 1980, revealed an 88 per cent collapse in pre-tax profits, and all the problems came in the second quarter. New Ford registrations in the January-March period were ahead by 28 per cent, though admittedly the comparison was with a period of short supply. Reality came home in the second quarter with new Fords down 27 per cent and the July figures, lower by nearly 40 per cent and showing an eight points slide in market share, offer little comfort. Stocks of new cars filled the pipeline and interest costs at Quick soared by £259,000 to £628,000 including £167,000 extra for loans with Ford to cover vehicle deposits. Falling demand and over-supply have resulted in classic price cutting and margin collapse with little sign of any relief in the second half. The one bright spot is Quick's used car dealing where it has adopted a policy of getting shot of anything which does not move quickly to the augitors. Profits quickly to the auctions. Profits

this year are likely to be in the region of £200,000 to £250,000. Earnings per share fully taxed will be around 1p a 3.18p was paid on profits of £891,000. share and the dividend will probably be halved for a yield Directors and families have of 5 per cent. Not surprisingly the shares fell 54p to 344p yes-terday and short-term there waived dividends on 1,078,278 shares. No taxation is provided as stock appreciation relief and accelerated capital allowances are estimated to exceed the seems little support even at that liability to date.

Main activities of the company are steel stockholding, general steel fabrications, including road safety barriers and security fencing, lintels and drop forg-

#### Deborah nears £1.5m with 24% rise

DESPITE DIFFICULT condi-tions with increased competition in the industry, Deberah Ser-vices, scaffolding contractor and insulation engineer, reports an increase of 24 per cent from £1.21m to £1.49m in pre-tax profits for the year to March 31, 1980. There was a 55 per cent increase in turnover from £13.6m to £21.07m. The scaffold contracting

division has continued to main-tain the improvement shown last year and the company has obtained many valuable long-term contracts which should enable the division to preserve its share of profits during the current year, says Mr. A. L.

Britton, the chairman.

Excellent profits were earned by the building equipment division, which is now better placed geographically to take advantage of the increased hire business available in the build-

ing industry.

After its disappointing results in 1979, the insulation division is returning to its previous profitability and a new company has been formed to take advantage of the current work-load connected with North Sea

The company's development of fluidised bed furnaces continues and it has just completed its first installation. Depending on satisfactory completion of trials, It is anticipated that further orders for this type of plant will

He says the high point of re-cession has not yet been reached, but he considers that the group is better placed than most to overcome any difficulties and still remain poised for any upturn in the economy.

After tax down from £712,000 to £296,000, stated earnings per 5p share are 20.2p (19.4p). The final dividend is 2.75p making a net total of 3.85p on the capital as increased by the rights issue and the conversion of the loan stock. The com

traded on the market made by M. J. H. Nightingale and Co.

١	ļ	1	O	st.	į Ja	ก.	Ap	rii	l
ı	Option	Ex'rcise	Closing offer	Vol.	Closing offer	Yol.	Olosing Offer	Vol.	Equity close
	BP BP Com. Union Com. Union Com. Gold Cons. Gold Cons. Gold GEC GEC	530 390 130 160 180 500 500 500 500	50 16 6 55 7 2 55 29 12 27 8	17 6 5 10 1 1 5 63	48 34 21 38 16 77 75 48 27 52		63 42 	111111111111	542p 160p 530p
	Grand Met. Grand Met. Grand Met. iCI	120 140 160 350 560 420 420 663 390 100 110 420	24 29 28 11 4 1 25 8 7	2 2 30 7 40 5 2 15 36 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	49 32 18 40 24 12 - 37 20 11 7	15 	35 23 23 50 21  34 151 <sub>2</sub> 11	14 15 15 19	160p 7 380p 388p 98p 411p
	mperial Gp. Imperial Gp. Lonrho Lonrho Lonrho Lonrho Lonrho P. & O. P. & O. Racal Elec. Racal Elec. Racal Elec. RTZ	80 90 84 90 100 104 114 130 140 280 350 350 500	Nover 6 12 27 15 5 5 7 12 27 15 15		91-91-91-91-91-91-91-91-91-91-91-91-91-9	_ _ _ 4	10 6 	10.	81p 90p "" 129p 296p

# Yorkshire Chemicals passes interim as demand falls in second half developing countries the slump

ALTHOUGH FIRST-HAF 1980 taxable profits of Yorkshire Chemicals showed an improvement from £348,000 to £408,000, the directors give warning of a very difficult second period and in these circumstances, they have decided to postpone considera-tion of a dividend payment until the full year's results are known. Until recent weeks the group had not suffered a reduction in volume of trade, but there is now evidence of an overall deteriora-

tion of demand, the directors

HIGHLIGHTS

£295,000 to £146,000.

Trading against a background of high interest rates, strong sterling and a recession, they say the group is likely to produce a pre-tax profit which will be much lower in the second half an that now reported for the first six months.

In the last full year, pre-tax profits of this maker of dyes and tanning materials, slipped to £908,000 (£1.1m) and an interim dividend of 2.39526p net per 25p share was followed by a final of 2.45p.

As anticipated in April at the time of the annual report, first-half sales, at £11.99m, were similar to last year's correspond-ing figure of £12.19m. Of this, UK sales accounted for £3.16m (£3.17m) with the balance of 28.83m (19.02m) from overseas.

Trading conditions in the first

Hill &

Smith set

for record

Taxable profits of Hill and

Smith rose in the half-year to March 31, 1980, from £309,987 to

£515,872 on sales up almost £2m

The directors say that trading in the third quarter has been at

a satisfactory level and present indications are that second-half

figures should not be less than those for the first half. Full year

results are expected to be at a

for the six months. The interim dividend is raised from the equivalent of 0.9p, after allow-

ing for a one-for-ten scrip issue,

Last time a total equivalent to

There was again no tax charge

new record level.

to 10 net.

Short term borrowings fell by 1917,000 and medium term borrowing by £800,000. six months were unchanged, with selling price increases difficult to obtain, while the continued strong pound brought constant pressure on profit margins. Group organisation costs were

outlook for the second half is equally unexciting.

The major corporate news of yesterday was the poor

second-quarter showing from ICI, where profits were more

than halved to £72m pre-tax-way below the lowest market

predictions. Lex also briefly comments on the impact of

ICI's showing on the market as a whole, with the FT 30-share

index down by eleven points at one stage. In contrast, Plessey

has produced an impressive first quarter, with profits up from f13.2m to £18.6m, with a particularly strong showing from the main telephone exchange business. On the inside pages there

are figures from carpet manufacturers Stoddard, which mirror the sad state of the industry. H. and J. Quick, the Ford

main dealer, has produced some poor first-half figures and the

#### comment contained at the level of those for the same period in 1979.

Yorkshire Chemicals points up what ICI was saying yesterday Net interest charge increased from £445,000 to £646,000, but about its organic chemicals depreciation was down at £596,000 (£681,000) and realised division; second-quarter profits £596,000 (£681,000) and realised in the dyestuffs industry have exchange losses decreased from all but disappeared. Given the sector's high export dependence, 295,000 to £146,000.

The value of stock at June 30, the UK textile sector's windle 1980 was £13,25m, which was £1.7m lower than the level of six and the gradual shift of the synthetic fibres market to £1.7m lower than the level of six

should surprise nobody. Yorkshire has done what it can to alleviate the effects of a sharp volume fall from April onwards. Its speciality position has provided some useful protection against German and Swiss imports and swift action has been started to lower what were abnormally high December stock levels. This process, and its concommitant of a further payroll reduction, has a good deal further to go. June-end inventories of £13.25m are budgeted to fall to between £10m and £12m and the lower function and £12m and the lower function and £12m and the lower function functions are supposite in target looks more apposite in view of the forecast of much lower second-half profits. Capital and development spending seems to have been pared to the bone and it may not be over pessimistic to assume that any dividend paid this year will be strictly notional. Yorkshire estimates that dyestuffs capacity new exceeds consumer demand by about 20 per cent and a severe manufacturing shake-out can confidently be expected. In that context, it is depressing to note that the companies pro-viding the major UK and inter-national competition exceeds Yorkshire's £4.3m market capi-

# Kode ahead midway and sees 'substantial' rise for year

International, computer equipment manufacturer, expanded to £662,405 in the 24 weeks to June 14, 1980, compared with £604,053. Significantly, says Mr. W. D. Tudor, the chairman, the firsthalf results are also a marked improvement over the last 24 weeks of 1979, when there was a surplus of £849,105. He adds that this growth should be maintained in the short term as the current order situation is satisfactory, and anticipates a sub-

totalled £1.25m. After six months tax of 5341,450 (£314.108), stated earnings per 25p share are up from 6.67p to 7.19p and the interim dividend is increased to 2.32p (2.211p) net. absorbing £102,886 (£96.191). Last year's final was

In 1979, pre-tax profits

#### comment

By comparison with the last 24 weeks of 1979, when profits amounted to £478,000, Kode International has chalked up 38 per cent growth in the equivalent number of weeks this year.

adjusted on the same basis were 2.72p. The company's shares are

SPAIN		
	Price	
August 28	%	+01-
Banco Bilbao		~2
Banco Central		~2
Banco Exterior		
Banco Hispano		~2
Banco Ind. Cat		-
Banco Madrid		
Banco Sentender		~2
		2
Banco Urquijo		~2
Banco Vizcaya		-2
Banco Zaragoze	215	
Dragedos	112	+2
Espanola Zinc:	72	+1
Fecse		
Gel. Preciados	31.50	+1.50
Hidrola	<b>67.20</b>	
iberduero		
Petroleos		-1
Petroliber		
Sogefisa	107	
Telefonica	60	~ 1.50
Union Elect	67.70	-0.30

Ł	OND	ON	TR	ADEI	0	PTI	DNS	
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Option	esirq	Closing offer	Vol.	Closing offer	Yol.	Closing offer	Vol.	Equity close
BP BP BP Com. Union Com. Union Coms. Gold Cons. Gold	\$30 \$60 \$90 130 160 180 500 550	50 15 6 55 7 2 55 29	17 6 5 10	48	1	63 42 - - - - - - - - - - - - - - - - - -	111111111	542p 160p 7 530p
Cons. Gold GEC GEC	500 500 550	12 27 8	5 6 63		20	74 48	=	489p
Grand Met. Grand Met. Grand Met. ICI ICI ICI ICI ICI ICI ICI ICI ICI IC	120 140 160 350 360 890 420 863 390 100 110 420	24 94 98 11 4 125 8 7 34 18	2 30 7 40 52 15 36 52 260	32 18 40 24 12 37 20 11 7	3 	35 23 35 50 21 	14	160p 7 350p 358p 99p 411p
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#### ON TURNOVER up from £3.89m The shares responded with a to £4.62m, taxable profits of Kode 5p rise yesterday to 273p, back dependence on outside component manufacture. These two projects alone will cost about

The shares responded with a 5p rise yesterday to 273p, back within a couple of points of the annual peak. There is little need to suppose, if Kode is anything to go by, that the bull positions in the electronic components sector have any pressing need to unwind. The group is talking confidently of further is talking confidently of further growth in the second half on the back of a strong order book and, although margins are tightening as more capacity comes on to the market place, turnover is set to

\$800,000 but Kode remains confident that cash flow will be positive again this year. point is, however, that group is now looking stability in the order intake from next year onwards as long as the recession lasts and the shares are discounting over 15 years of maintained earnings on last year's historic and reported top £10m this time with some basis. That may be asking a thing to space. The additions lot of technical innovation and to its plant Kode is now putting management succession in a in are designed to boost Kam's fast-changing environment but capacity to take on larger job no more than the City has come bing orders while Moore Reed is to expect.

#### DIVIDENDS ANNOUNCED

· ·	Current	Date of	sponding	Total for	last	
	payment	payment	₫īĀ.	year		
British Assets Tr 3rd int.	0.9	. <del>.</del> .	0.7		3.1\$	
Erskine House Invst	L18	Oct. 10	1.44	2 18		
Fife Forgeint	1	Oct 1	0.8	٠ سين	3.3	
Hill & Smithint	1	: Oct. 5	0.9*	_	3.18*	•
CI int.	12	Nov. 11	12	Ξ	23	
Kode International int.	2.32	Dec. 4	2.21	_	6.58	
Lec Refrigerationint.	. 1.49	Oct. 11	1.35	_	3.7	
Mixconcreteint	1,55	Oct. 20	1.55	<b></b> . ·	4.05	
Pearl Assuranceint.	7**	Oct. 10	5	· — ·	17	
L & J. Quickint.	0.53	Oct. 13	1.06	_	2.29	
Refuge Assuranceint.	3.9	Nov. 7		_	10.6	
Rowan Groupint.	4.8	· <b>-</b> ·	· 3.2	· <b>—</b>	5.33§	
Scot. Agriculturaliot.	5.75	Nov. 3	5.75	_	14.75	
harpe & Fisherint.	0.55	Nov. 5	0.5	_	1.75	
Somportex Holdings	5.63	Oct. 17	4.5	5.63	4.5	
toddard Holdings	NII ··		0.86	0.56	1.39	
Forkshire Chemsint		· — ·	2.4	_	4.85	

Dividends shown pence per share net except where otherwise stated.

\* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ Includes non-recurring payment of 0.3p. § For 8 months. \*\* Increase to reduce disparity between interim and final.



# **Monk has construction ideas**

"The main rail line on which Monk is currently engaged is scheduled for completion in 21/2 years time."

Constructing the East Coast Main Line round the Selby Coalfield takes time. Valued at just under £30 million this contract is just one of many major projects currently in hand by this national contractor.

The Annual Report reveals a £88.2 million turnover, including contracts for I.C.I., Courtaulds, Phillips, Unilever and other major clients, both in the private and the public

It takes a resourceful company to construct multi-million pound projects and its diverse activities include the new Monkradle Engineering division.

 Copies of the Annual Report and Accounts are available from the Company Secretary, A. Monk & Company Ltd., P.O. Box 43, Warrington, Cheshire, WA1 4JB.

Monk

Civil Engineering and Building Contractors.

	H. Nighting at Lane London EC3R				<b>imited</b> 01-621 121;
1979-80 High Low 99 52 50 21 170 92* 100 74 191 63 125 88 129 68 153 103 305 242 232 175 34 10 90 58 23	Airsprung Armitage and Rhodes Berdon Hill County Cers 10.7% Pf. Deborah Ord Frank Horsell Frederick Parker George Blair Jackson Group	21 170 74 98 125 68 88 82 121 305 320 124	Change	Gross Div (p) 6.7 3.8 9.7 15.3 5.0 7.8 11.0 16.5 8.0 7.9 3.1 3.1 3.1	Yield 7/ 12.8 3.1 18.1 1.4 5.7 .8.4 20.7 5.1 10.7 6.3 3.9 16.7 7.3 3.1 8.5 9.5 10.2 6.9 3.7

† Accounts prepared under provisions of SSAP 15.

First Half Year 2,232 3,136 2,567 5,368

178

415

1,269 1,706 2,975 Total 260 560 Profit before taxation and grants After providing for: Depreciation 141 118 248 Exchange loss on net current assets of overseas subsidiaries 29 34 Taxation less grants -- 56 -53 -104 168 207 456 Profit after taxation and grants Applicable to minorities --25 -- 13 Profit applicable to Parent Company 155 199 431 Extraordinary items -16 Profit applicable to Parent Company

34,8 pence 74.7 pence items per £1 Ordinary Stock Sales in the second quarter (1.452m) were £71m below those achieved in the first quarter 1980. This was mainly due to sales volume reductions in both chemicals and oil. The f.o.b. value of exports from the UK was £291m compared with £349m in the first

after extraordinary items

Earnings before extraordinary

Profits in the second quarter were sharply reduced as a result of the severe deterioration in trading conditions in the UK, Continental Western Europe and the United States, which began early in the quarter, and further deterioration continues. It has affected volumes and profit margins for both home and export sales especially in Petrochemicals, Plastics, Fibres and Dyestuffs. The Company's oil business (including its share in the Ninian oilfield) produced trading profits amounting to £29m, after

Petroleum Revenue Tax of £13m.

The following table summarises the quarterly sales and profits

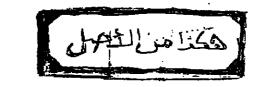
		Group profit Excluding	before tax	
	Group sales £m	Exchange Exchange gain/loss £m	Exchange gain/loss £m	Total £m
979		·		
st Quarter	1,185	107	<b>_9</b>	98
nd Quarter	1,382	182	-20	162
rd Quarter	1,326	155		155
th Quarter	1,475	150	· _5	145
ear	5,368	594	-34	560
980				
st Quarter	1,523	156	<b>-4</b>	152
nd Quarter	1,452	89	-17	72

The charge for taxation less grants for the first half of 1980 amounting to £56m (1979 £53m), consists of £32m of UK corporation tax (1979 £26m), £29m overseas tax (1979 £31m) and £6m on the profits of principal associated companies (1979 £7m) less a credit of £11m for Government grants (1979 £11m).

The Board has declared an interim dividend of 12.0 pence (twelve point naught pence) per £1 unit of Ordinary stock of the Company in respect of the year 1980 (1979 12.0 pence). This together with the imputed tax credit of 5.14 pence is equivalent to a gross dividend of 17.14 pence (1979 17.14 pence).

The interim dividend now declared will absorb £71m and is payable on 11 November 1980 to Ordinary stockholders registered in the books of the Company on 30 September 1980.

Trading results for first nine months of 1980 will be announced on Thursday 27 November 1980



# ICI profit slumps to £72m in second quarter

SECOND quarter profits before tax of Imperial Chemical Industries fell sharply from £162m to £72m, reducing the total for the first balf of 1980 from £260m to £224m.

However, the interim dividend is held at 12p per £1 share. The total last year was 23p on pre-tax profits of £560m. The directors say the drop in

second quarter profits resulted from a severe deterioration in trading conditions in the UK. Western Europe and the U.S., which began early in the quarter and further deterioration con-

"It has affected volumes and profit margins for both home

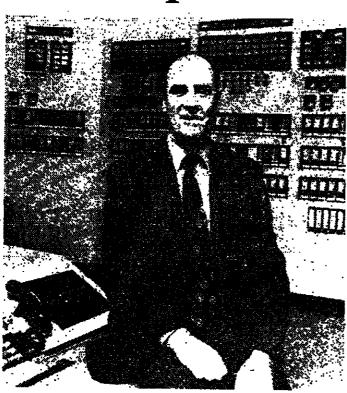
and export sales, especially in petrochemicals, plastics, fibres and dyestuffs."
Sales in the first half rose from £1.05bn to £1.27bn in the UK and from £1.52bn to £1.71bn overseas, lifting the total from £2.57bn to £2.98bn.
First half profit is after depreciation of £14im (£118m)

and exchange losses on net current assets of overseas subsidiaries of f21m (£29m).

The group's oil business, including its share in the North Sea Niman oilfield, produced

trading profits amounting to £29m after PRT of £13m The charge for tax less grants for the first half year, amounting to £56m (£53m), consists of £32m of UK corporation tax

ar



Sir Maurice Hodgson, chairman of ICI . . . recession has bitten into second-quarter results.

(£28m), £29m overseas tax Government grants (same). months this year will be (£31m) and £6m on the profits Stated earnings per share are announced on November 27. of principal associated companies 26.5p (34.8p).

(£7m) less a credit of £11m for Results for the first nine

# Scottish Agricultural edges up

WITH increased sales offsetting profit will fall short of last in sulphur and phosphate rock higher costs but failing to match year's record £5.8m. prices at the beginning of 1980

from £1.7m to £1.8m for the six months to June 30, 1980. And with the general economic climate reflected in the new fertiliser trading season, the

after taxation—unchanged at £800,000 — moved up from £900,000 to £1m.

Chairman, Mr. B. Appleton, told the annual meeting last

higher costs but failing to match year's record £5.8m. prices at the beginning of 1980 inflation, pre-tax profits of The interim dividend is might be offset to some extent by Scottish Agricultural Industries, maintained at 5.75p net. Last the strength of sterling but fertilisers and feedstuffs year's total was 14.75p. would put considerable pressure subsidiary of Imperial Chemical Sales in the half-year rose on maintaining margins in a Industries, rose only marginally from £38.7m to £41.9m and profit highly-competitive business. comment

First-half results from Scottish Agricultural Industries reflect the reasonable conditions prevailing in the last "farming year." The current farming year, which started in June, is proving to be much weaker Cash-squeezed farmers are holding back on fertiliser purchases and SAI fears they will be equally tight-fisted later in the year when it comes to buying seed and other crop chemicals. Meanwhile, the costs of ammonia, phosphate and sulphur continue to rise and the company anticipates a smaller profit than the £5.8m before tax earned last year. A good guess might be £5.3m. That would leave the shares, down 2p to 186p yesterday, on an undemanding six\_times fully taxed earnings. Following an unchanged interim dividend, the final might look a bit precarious if it were not for the group's strong balance sheet and ICI's interest and On a maintained final, prospective yield is 11.7 per

ASSOCIATE DEAL

On August 27 last. S. Warburg, as an associate of Costain Group, bought on behalf of a discretionary investment client, 25,000 ordinary shares of 25p of Costain Group, at 184p

343

17.97

# Stoddard falls to second half loss and omits final

surplus of Steddard Holdings, carpet manufacturer, well down at £86,000 for the year to May 31, 1980 against £765,000. Midway profits were down from £426,000

The directors are omitting the final dividend, and the interim of 0.556p represents the total for the year, compared with 1.3896p in 1978-79.

for some time ahead. The home

the group's share of the total

British carpet market. The surplus this time is struck after exchange losses of £222,000 of £625,000 (£454,000) but before tax credits of £84,000 (£7,000). Sales rose marginally to £23.85m

An extraordinary debit of £107,000 comprises redundancy and closure costs resulting from Demand has eased both in the shutdown of the Galashiels Europe and America, they state, mill of £222,000 less deferred and may well remain depressed tax relief of £115,000.

Earnings per share are shown market remains highly competitive, with demand at a lower level than a year ago, and it has American imports, largely

#### Rohan earns and pays more at interim stage

TAXABLE PROFITS of Rohan Group, the Irish-based industrial estate developer and building contractor, rose in the half-year factory. to June 30, 1980, to IRE1.71m After compared with £802,000 for the six months to April 30, 1979. The results are not directly comparable owing to a change in the company's year-end date from April 30 to December 31.

Turnover for the period came out at £12.33m (£9.63m). The interim dividend is raised from 3.2p to 4.8p net—an effective increase of 50 per cent Last time a final of 2.13p was paid in the eight months period.

The directors say that having regard to the current workload, and barring unforeseen circumstances, second-half profits will be greater than those earned in the first half.

They say that the continued growth in profits reflects the broadening base of activities in both Ireland and the UK.

The group has continued its policy of building up its portfolio of investments in industrial buildings, The 1980 annual report will incorporate a market valuation of these investments

which it is anticipated will show a substantial surplus. The liquidity position remains satis-

After six months' tax of £428,000 (£319,000), earnings per 10p share are shown as 22.7p, against 8.6p as April,

#### Witan Inv. over £1m in first quarter

Net revenue after tax of Witan Investment Company rose from £888,420 to £1,003,241 in the three months to July 31, 1980, and stated earnings per 25p share are higher at 1.16p com-pared with 1.05p. Gross income fell from £2.33m to £1.85m.

Tax charged was up from £525,309 to £508.015, but interest charges and expenses were considerably lower in the first quarter at £266,403 against £911,470.

SECOND-HALF losses of not been possible to maintain resulting from subsidised £284,000 compared with profits full-time working. But they have American material and power of £339,000 have left the pre-tax reasonable hopes of increasing costs, meant the production costs, meant the production programme for the Lyle's tufted plant had to be replanned, states Sir Robert A. Maciean, chairman.

This replanning, and clearing the chairman says that the stricks adversally affected by these (£261,000) and finance charges stocks adversely affected by these imports, cost some £250,000.

> steadily, he adds, and last year's tufted losses should not recur. To assist export sales which fell largely because of the strength of sterling, prices in overseas markets had been held or only moderately increased. But there are obvious limits to makes it unwise to forecast such a policy, points out the results for the year, but the

such a policy, points out the chairman, and the Canadian associate company was closed and representation in some other markets severely costs. overseas

#### comment

Yesterday's grim figures from Stoddard pushed the "A" shares down 2p to 18p, well below par value and within a whisker of their 1980 low. The second half showed a pre-tax loss of £284,000 and the dividend omission indicates that little better is expected in the current better is expected in the current year. Even after extensive price cutting, sales are stagnant and most short-term hopes must be pinned on the tufted carpet business moving into profit. Reorganisation and stock clear-ance carved £250,000 out of the revenue account last year but the effect has been to move the operation out of the bottom end of the market, where U.S. com-petition is particularly fierce. Recovery in the Axminster and Wilton business must await a further fall in interest rates and a weakening in sterling, but the current shrinkage in industry capacity should rebound to Stoddard's benefit in the long run. The p/e of 9 on reported earnings is certainly discounting a measure of improvement. In the meantime, interest will focus

# Sharpe & Fisher reach £581,000

ON SALES up from £10.3m to £13.03m, taxable profits of

satisfactory results were mainly mports, cost some £250,000. due to the first quarter sales which were well ahead of 1979 teadily, he adds, and last year's when building activity was ufted losses should not recur.

To assist export sales which ell largely because of the trength of sterling, prices in level than last year and all werseas markets had been held accommic signs point to differ the sales where mainly makes the first quarter sales which were well ahead of 1979 when building activity was depressed by bad weather.

He warns, however, that trade is currently at a lower volume accommic signs point to differ the first quarter sales which were well ahead of 1979 when building activity was depressed by bad weather.

economic signs point to difficult times ahead. This, he adds, board is making every effort to capitalise on sales opportunities and to combat ever increasing

Tax for the six months rose from £159,000 to £194,000 and the interim dividend is increased fractionally to 0.55p net (0.5p) —last year's total was 1.75p from pre-tax profits of £473,000.

#### Rothmans of Malaysia

profits by 20 per cent to 23.9m growth.

£5.54m and earnings per share, after tax of £181,721 (£103,252) are shown up from 10.38p to 25,37p.

Taxable profits of Somportex Holdings, distributor of confectionery, groceries and delicatessen products, more than doubled in the year ended April 30, 1980, finishing at £359,327 against £175,918. The annual dividend is stepped up from 4.5p to 5.825p net.

Sales rose from £3.97m to

Turnover of the company, 50

International of the UK, rose by 21 per cent to 333.8m ringgits.

Somportex

more than

doubled

Despite being a depressed sector of industry, the sugar and confectionery side made a fair contribution, say the directors, with the Slush Pupple line con-Rothmans of Pall Mall solidating its hold nationally and (Malaysia) increased its pre-tax showing scope for continued

#### Erskine House sees upturn

pre-tax profits is reported by reduced t Erskine House Investments for (£13,792).

division, which resulted in losses of £51,578, and exceptional costs of £18,459 incurred during the refurbishment of the head offices. This necessitated the removal of staff into temporary

Net asset value per share, after taking currency loans and prior charges at par, is 148.1p (118.7p) and at market value 152.0e mysterious Panamanian company which has taken a 12 per the group's Bureau de Change division was the only one to stock. As the majority of voting show a profit and this amount of the familiary to the group's Bureau de Change division was the only one to show a profit and this amount of the familiary to the group's Bureau de Change division was the only one to show a profit and this amount of the familiary to the group's Bureau de Change division was the only one to show a profit and this amount of the familiary to the group's Bureau de Change division was the only one to show a profit and this amount of the group's Bureau de Change division was the only one to show a profit and this amount of the group's Bureau de Change division was the only one to show a profit and this amount of the group's Bureau de Change division was the only one to show a profit and this amount of the group's Bureau de Change division was the only one to show a profit and this amount of the group's Bureau de Change division was the only one to show a profit and this amount of the group's Bureau de Change division was the only one to show a profit and this amount of the group's Bureau de Change division was the only one to show a profit and this amount of the group's Bureau de Change division was the only one to show a profit and the group's Bureau de Change division was the only one to show a profit and the group's Bureau de Change division was the only one to show a profit and the group's Bureau de Change division was the only one to show a profit and the group's Bureau de Change division was the only one to show a profit and the group's Bureau de Change division was the only one to show a profit and the group's Bureau de Change division was the only one to show a profit and the group's Bureau de Change division was the group's Bureau de Change division was the group's Bureau de Change division was the group's B interests, Hampton's motives are a shade obscure. further behind with a loss of 2.18p

reduced their losses to £11,754

the year to March 31, 1980.

Turnover rose from £12,53m to is difficult to predict the outcome £14.56m. At halfway, the pre-tax figure was £162,135 compared with £115,291.

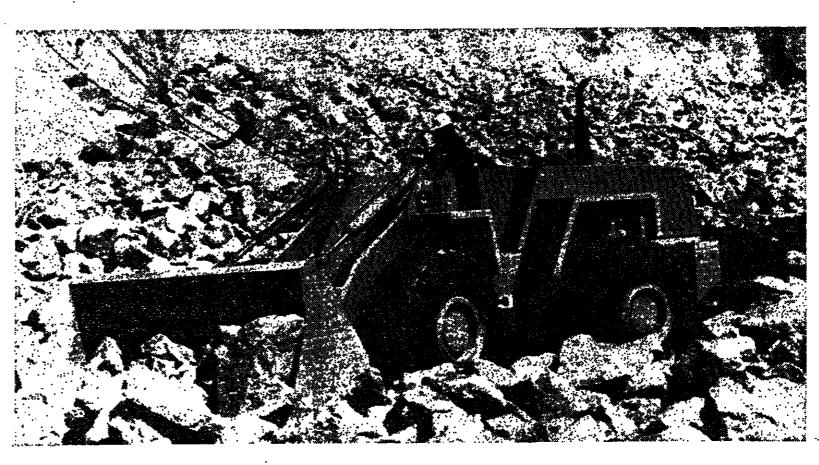
(£13,752).

The Board says that while it difficult to predict the outcome for the current year, trading to date and the potential of the subsidiary companies give it The profit is after start-up confidence that good progress costs in the new Erskine Uvasun will be made, and a considerable achieved this year.

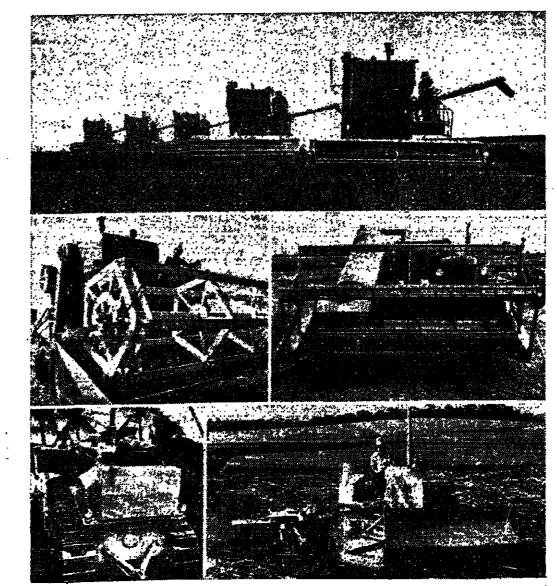
Security Services in the first six months of the current year

losses now reported.

There was a tax credit this time of £24,983 (debit £4,805), leaving net profits down from £130,991 to £71,027. The final dividend is cut from 1.438p to 1.18p for an unchanged total of



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#### (Incorporated in the Republic of South Africa) NOTICE TO SHAREHOLDERS

LYDENBURG PLATINUM LIMITED

In terms of the Regulations of the Stock Exchange, shareholders are notified that the Board of the Company has been reconstituted and that Mr. F. J. Davin (chairman), Mr. E. P. H. Bieber, Mr. B. R. Bradford, Mr. W. Langley, Dr. J. C. van der Horst and Mr. R. E. J. Langford have been appointed as the new Board of Directors of the Compuny.

The attention of shareholders is also drawn to the fact that the Company's registered office in the Republic will be changed P.O. Box 66, Cape Town, 8000. with effect from 1st September, 1980. The Company will, furthermore, cease to have a London Office from that date.

The existing Share Transfer Secretaries, both in Johannesburg and in London, will continue in office.

29th August, 1980.

# Letraset

# **Profits and Dividends Up**

Profits before tax were up 15% at a record £12.1 million despite the significant adverse impact on group profits of the strength of sterling. Total dividends rose by 10%.

# Strength of Balance Sheet

Equity base increased by £9 million. Total borrowings reduced from £10.6 million to £8.1 million.

# Excellent Performance in Graphics

Graphics division reported a 19% increase in profits. At constant exchange rates, profits increase would have been over 25%. Sales in the Graphics Division remain firm.

# **Other Divisions**

Performance of Stanley Gibbons Division (dealers in rare stamps and other collectables) was affected by worsening economic climate. Investment has been increased to support identified areas of expansion and to expand Stanley Gibbons' influence in international

Leisure Products Division had a difficult year but tight control of overheads minimised impact on profit.

# **Prospects**

We have strong management and an improved financial position and feel that we are well positioned to cope with the adverse effects of recession.

Copies of the Report and Accounts are available from The Secretary,

Letraset Limited,

7 Apple Tree Yard, London SW1Y 6LD

Upturn at Lec Refrigeration

# Property Security **Investment Trust**

#### Property Income Up

Scrip Issue

Extracts from the statement by the Chairman, Mr. A. R. Perry. ■ Net property income has risen from £3.28 million to £3.75 million.

- Profit before tax rose from £360,000 to £865,000.
- Further lettings at Newcastle, Goole, Broadheath and Manchester.
- Pre-let developments in Aldershot well under way.
- Planning permission for warehousing and offices
- Group has adequate financial facilities.
- Scrip issue 1 for 4 ordinary shares.

Results for the year ended 31st March 1980

£'000s	1980	1979	1978
Rents receivable	4,302	3,735	3,177
Net property income	3,746	3,282	2,771
Surplus before tax and extraordinary items	1 865	360	(77)
Ordinary dividend per share	1.8p	1.6p	*1.3933p
Share capital and reserves	37,110	34,972	16,267
*Adjusted for scrip issue		-	

Copies of the complete Report and Accounts may be obtained from the Secretaries, W. H. Stentiford & Co., 1 Love Lane, London EC2V TJJ.

#### Victor Products (Wallsend) Ltd. **Annual Statement**

Year ended 30th April	1980	1979
Turnover	11,656,000	10,216,000
Pre-tax profit	1,746,341	1,588,887
After tax profit	1,443,881	1,389,371
Dividends Preference Shares paid. Ordinary Shares	76,461	37,917
Interim paid	114,692	56,811
Final proposed	210,269	<u>229,384</u>
Earnings per share	17.88p	17.67p

An interim dividend of 1.5p per share was paid on 7th April, 1980. The proposed final dividend of 2.75p per share will be paid on 8th October, 1980. With tax credit the dividend for the year is equivalent to 24.28% gross (21.38% gross last year).

The Annual General Meeting will be held on the 8th October, 1980.

Copies of the Annual Report and Accounts may be obtained from the Secretary at P.O. Box, Wallsend, Tyne & Wear NE28 6PP, from 15th September 1980.

**Profit** 

growth

continues

■ Pre-tax profits up 42%

1980-81 FIRST QUARTER RESULTS

#### MINING NEWS

# Homestake finds gold in California

BY GEORGE MILLING-STANLEY

AMERICA'S LARGEST gold Gulch, which last year produced more than 5 grammes of gold and mill to be in operation by producer. Homestake Mining. 246,000 ounces, it will provide per tonne. 1984. The deposit will be mined for long dependent on the original Homestake property in current annual output of less the Black Hills of South Dakota than 7,000 ounces.

Companies and Markets

gold in significant quantities in mine's California, with an estimated curren annual output of a minimum of years. 100.000 ounces of fine gold over at least the next 10 years.

While this mine is smaller than the original Homestake discovery near Dakota's Bobtail Pahang in

bid for

Taniong

a significant boost to California's

for the bulk of its gold income, has at last begun to reap the benefit of a major expansion in its exploration activity.

The company has discovered gold in significant quantities in California, with an estimated current estimates of around 10 appual output of a minimum of

Based on results from 63 holes drilled, the deposit. 70 miles north-west of Sacramento, contains in excess of 6m tonnes of ore with an average grade of

The deposit is in the northern part of Napa County, in a remote area where mining operations have been carried out intermit- mining costs of \$10 to \$15 a tently over the past 100 years, but where gold has not so far been produced.

Ironically, the area was by-passed during the California Gold Rush of 1849 because it was considered unpromising. The considered unpromising. gold is in finely disseminated particles which are not visible to the naked eye and cannot be

panned. Homestake expects the mine

by surface methods, which Mr. Conger said would be relatively inexpensive. "We are looking at tonne, and milling costs of \$6 to

58." he said.

The gold in the property is owned entirely by Homestake, various landowners in royalties.

The deposit is still open on several sides, and Homestake said that drilling is continuing to determine the full extent of the discovery.

#### comment

The first half of this year could hardly have been more difficult for domestic appliance producers by a strong pound and cut-throat foreign competition, in particular from Eastern Europe. So Lec's achievement in pushing up profits by a half and increasing margins to 7.8 per cent is a remarkable one. Admittedly, yesterday's figures compare with an unusually poor first half in 1979 and the group has the bene-

the first six months of 1989.

First half tax charge is £633,000

(£417,000), giving earnings per 25p share of 9.67p compared with

6.37p in the same period last

tax profits of £1.62m.

FROM increased turnover of in keeping plants running at full 215.69m against £14.48m, profits stretch and being able to increase perfore tax of Lee Refrigeration exports from 12.7 to 22 per cent before tax of Lec Refrigeration of sales - compensation for a rose from £802,000 to £1,22m in slight loss of market share at home. The explanation ties The interim dividend is being raised from 1.35p to 1.485p—the partly in cost control - the company negotiated a modest 10 per cent wage rise last Novemtotal last year was 3.7p from pre-

ber. In addition, it launched two successful fridge freezer models at the end of last year. The past two months have been more difficult and Lec has been obliged to cut prices on some models, which will undoubtedly affect second balf margins. The company could still make around 22.2m for the year which, with the shares up 2p at 78p yesterday, produces a fully-taxed p/e of 4.3. This is hardly excessive, even if the 7.6 per cent yield

#### IN BRIEF

provides little support.

remarkable one. Admittedly, yesterday's figures compare with an unusually poor first half in 1979 and the group has the benefit of sizeable cash balances (£634,000 in the last balance sheet). Even so, it is exceptional

# White wins battle with Bond

THE LONG-RUNNING battle for control of the New South Wales
coal producer White Industries
has ended in victory for the
White camp. The interests
associated with Mr. Alan Bond,
the Wortern Australian business. AS EXPECTED, the Malaysian tin producer Pahang Consoli-dated has emerged as the counter-bidder for Tanjong Tin Dredging, Pahang, which already the Western Australian business man, have capitulated and sold owns 430,000 shares, or 29.8 per to associates of White, including the White family and Mitsubishi

cent, of Tanjong, is to offer 115p in cash for all of the shares it does not already own. This values Tanjong at £1.66m. of Japan, reports James Forth from Sydney.

But the White camp has paid dearly for its victory, with the Bond group making a pre-tax Pahang said yesterday that if the offer is successful, it will maintain Tanjong's present busiprofit on its investment of around AS40m (£20m). Consolidated AS40m (£20m). Consolidated Press Holdings, Mr. Kerry Packer's group, which was involved in the early stages of the struggle, has already made a profit of AS10m on the sale of its 26 per cent stake in White to the Road group. ness and develop it. The acquisi-tion will also help Pahans to expand its own mining opera-

The stake in Tanjong was originally acquired in 1978 from Faber Union for a consideration the Bond group.

The battle broke out late in

of\_around £450,000. Tanjong's shares were suspended in London for a week earlier this month after the company's announcement that it

was involved in negotiations which could lead to a takeover The London listing was re-stored when Tien ik Enterprises, a Malaysian company controlled by the David Kuok family interests, revealed that it had increased its stake in Tanjong. After relisting, Tanjong's shares moved up to a price of 125p on speculation of a counterhid. They were again suspended in London on Tuesday morning when Tanjong told the Kuala

negotiations were taking place which might lead to a counter-Pahang's offer is subject to all necessary regulatory consents in

the UK and Malaysia. Baring Brothers, the London merchant bank advising Pahang. sald yesterday that it was satisfied that Pahang had sufficient resources to implement the offer. which would cost the company £1.2m in cash in the event of

full acceptance. Tanjong's London listing was restored vesterday, and the shares closed at 115p. Pahang closed at 40p.

in just three days. The Bond group later revealed that it was the buyer, and made a partial offer for control through Endeavour Resources, one of the companies in the group.

The White camp promptly mounted a defence operation, and both groups ended up with around 50 per cent of the equity. This led to a number of legal actions, one of which was still way when the parties finally hammered out an agreement. All of the legal actions are to be discontinued.

Endeavour has agreed to sell its 42m shares in White, representing 44 per cent, for ASIS.75 a share, a total of almost AST9m. Endeavour acquired its holding for an average price of ASI1.19 a share, and the deal thus gives it a profit of AS32m. Some 22 per cent of the Endeavour stake was

which made a profit of about A\$10m on the sale. This means that the overall profit of the Bond group from the various transactions was around A\$40m. Under the terms of the final settlement, the Endeavour stake will be bought by a "resident Australian individual," believed to be Mr. J. McGuigan, a solicitor and Mitsubishi's representative

on the White board. The shares will ultimately be placed with long-term investors in Australia. The funds for the purchase will be lent by associates of the

White family.
Mitsubishi, which has already provided much of the finance for the White group's defensive operation, is expected to play a significant part in financing the purchase of the Endeavour stake. The Japanese company has a 40 per cent interest in White's

# MIM profits almost doubled

HIGHER WORLD metal prices boosted net profits of MIM Holdings, the Queensland basemetals producer, for the year to June 30 to a record A\$203.5m (£101.75m), almost double the previous year's level.

January, when the White share price jumped from A\$8 to A\$30

Sales were also at record levels, rising by 52.6 per cent Lumpur exchange that further Earnings came out at 57 cents share compared with 35.9 cents, and the company is raising the

total dividend for the year to 30 cents a share from 17 cents with a final of 18 cents on increased capital. MIM said yesterday that it had received higher prices for all of the minerals it produces, with silver particularly strong. Silver sales fell by 17.4 per cent to what

MIM called a more normal level of 414,883 kilos, compared with 502,307 kilos in 1978-79. The volume of copper sales rose by 13 per cent to 160.422 tonnes from 141,914 tonnes,

mainly as a result of increased sales of unrefined copper and copper concentrates.

half cut full-year sales volume by 16.2 per cent to 85,964 tonnes from 102,546 tonnes the previous

sales were steady at 144.746 tonnes compared with 145,258 tonnes, while the com-40 per cent share of nickel sales from the Agnew operation reached 2,169 tonnes against just 216 tonnes last year. Iron ore sales from MIM's 20 per cent share of the Golds-worthy mine dropped by 10 per cent to 1.16m tonnes as a result of three cyclones which swept the north-west coast of Western Australia early this

Coal sales were down to 625,315 tonnes from 825,417 tonnes following industrial dis-

balance during the year, and stocks were unchanged while re- of a tribute agreement with fined lead stocks rose as a result Simmer and Jack are to be Lower production and deli- of a combination of lower con- released shortly.

sumption and maintained proveries of zinc during the second duction.

Consumption of zine metal fell, but this was offset by a fall in output, while the growth in nickel production outstripped the increase in consumption and stock levels rose.

MTM was not prepared to make any prediction of the likely outcome for the current

#### ANGLO REOPENS SIMMER & JACK

South Africa's Angle American Corporation has definitely decided to go ahead with plans to re-open the long-abandoned Simmer and Jack gold mine near Johannesburg. Anglo recently completed a study of the feasibility of avaleting the surface bility of exploiting the surface waste dumps and underlying sumption and production of re-fined copper were closely in concentrate initially balance during the concentrate initially shallow Kimberley Reef. Details

#### OIL AND GAS NEWS Rundle twins propose nine for one scrip issue

Central Pacific Minerals and St. John's Newfoundland, has Southern Pacific Petroleum, joint owners of the huge Rundle oil-shale deposits in Queensland Australia are proposing a scrip issue of nine shares for each share currently held in each

The issue will apply equally to both fully paid and partly paid stock in each company. An extraordinary general meeting is to be called to approve the

In a joint statement to Australian stock exchanges the companies said that the current

share prices of both CPM and SPP are substantially above the levels common to most Austracompanies and that Australian stock exchange limitations on small parcel dealings has disadvantaged small Australian investors.
In order to facilitate the scrip

issue reserves of each company will be revalued by A\$110m to create a revaluation reserve from which the issue will be

The revaluation is to enable the issue to be made and does not reflect the full value of the Rundle deposits, the statement said. Reserves at Rundle are estimated at 2bn barrels of oil. At present SPP's share capital comprises 17.83m fully paid 50 cents ordinary shares and 4.12m shares paid to 25 cents. CPM has 6.33m fully paid shares in issue and 1.36m shares paid to

In July America's Exxon Corporation signed a heads of agreement with CPM and SPP to construct a pilot-plant to produce 15,000 to 18,000 barrels of oil a day by treating 25,000 tonnes of oil-shale. The pilot-plant is expected to begin production in 1985 and operate for two to three years before a decision is made as to the optimum production method. The aim of the project is to produce 180,000 to 240,000 barrels of oil a day—the current level of Australia's crude oil imports.
Exxon will pay at least U.S.\$500m. even if the project ultimately fails to justify full-

scale development, and is prepared to spend U.S.\$13bn to U.S.\$16bn if Rundle goes into full production. Widespread rumours circulating in the London market, that CPM and SPP would simply organise a stock split foundered in the face of a Sydney Stock Exchange regulation to the effect

that shares with a nominal value

of less than 20 cents would not FURTHER TESTING of the Ben Nevis 145 step-out well on the Grand Banks, 200 miles east of proved disappointing but industry analysts say only a small part of the most promising potential pay-zone has been tested, reports Robert Gibbens

from Montreal.

Ben Nevis and Hibernia are two potentially commercial east

a final test in the deeper zone of interest from 4.112 to 4.119

metres showed no oil.

Relatively small amounts of oil and gas flowed from several tests between 2,377 and 2,894 metres. Further tests are planned between 2,377 and 2,432

The participants in the well are Mobil. 56.25 per cent. Petro-Canada. 25 per cent, and Guif Canada with 18.75 per cent.

Australia's Endeavour Resources reports that drilling of the Paroo-1 exploratory well in two potentially commercial east coast oil structures, together believed to contain reservoirs of 2hn barrels or more.

Mobil Canada, operator for a group backing the 145 well, said a final test in the degree area.

Australian Aquitaine, the operator, has a 30 per cent interest in Paroo-1, CSR has 17 per cent. Bow Valley, Endeavour, Oilmin and Target 10 per cent apiece. Cluff Oil (Australia) 5 per cent and Timor Oil and Moonie 3 per cent each.

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#### "Tenth consecutive record year"

reports Arthur Britton, Chairman

- Pre-tax profits for the year to 31 March 1980 were up 24% and the dividend has been increased by 10% on the capital as enlarged by the Rights Issue.
- Greatly improved contribution from Insulation division.
- Long term contracts give us confidence for

Comparative figures	1980	1979
•	€000	2000
Sales	21,067	13,597
Profit before taxation	1,492	1,205
Profit after taxation	1.196	493
Earnings per share	20.2p	19.4p
Dividend per share net	3.85p*	3.5p
*On capital as increased by 1 for 4 Rig	hts Issue in Octob	er 1979,

The Company's shares are traded on The Over-the-Counter Market Details of this market together with copies of the full Report and Accounts are available from the Secretary, Deborah Services Limited, 10 South Parade, Wakefield, Yorkshire. Telephone: 0924-78222.

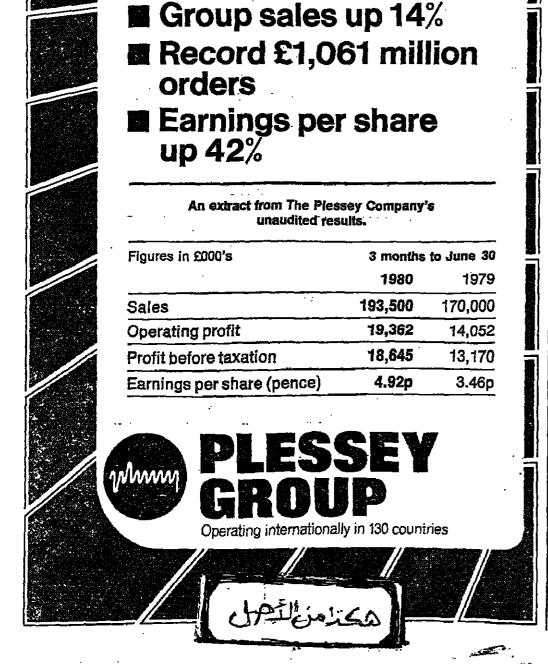


#### COMPANY LIMITED HALF-YEAR STATEMENT 1980 Months 1980 1979 00**0**°3 **ORDINARY BRANCH** 59,319 58,591 New Premiums per annum 2,962 New Single Premiums 282 3,863 INDUSTRIAL BRANCH New Sums Assured 75,029 62,685 126,945 New Premiums per annum 5,918 4,621 9,579 GENERAL BRANCH 5,042 4,970 8,589 ASSURANCE COMPANY LTD Chief Office: OXFORD SY, MANCHESTER M60 7HA

# SANDVIK AKTIEBOLAG

Sandvik Aktlebolag covering the first six months of 1980 will be available-from September 3-at the office of

> Credit Suisse First Boston Ltd. 22 Bishopsgate London ECXN 4BO



#### Refuge **Assurance** advances

NEW SUMS assured by Refuge Assurance Company during the first six months of 1980 rose from £50.59m to £59.32m in the ordinary branch and from £62.69m to £75.03m in the industrial branch.

Ordinary branch new annuities per annum rose to £547,000 (£424,000) and new premiums per annum to £2.06m (£1.82m), but single premiums declined to £282,000 (£321,000).

Industrial branch new premiums per annum increased to £5.92m (£4.62m) and general branch total premium income to £5.04m (£4.07m).

The interim dividend is lifted from 3.4p to 3.9p—last year's total was 10.6p.

#### Production cut at Ward and Goldstone

While the first quarter of the current year at Ward and Gold-stone shows sales in value terms little changed from the corresponding period last year, overall production has been cut to meet lower volume demand, says Mr. Sampson Goldstone, the chairman. The group manufactures insulated wires and cables and

electrical accessories. Any optimism in the medium term requires to be qualified by caution as industry in general, currently deep in recession, will continue to be affected by the Government's efforts to control inflation, he tells members in his

annual statement.

Looking to the longer term, the chairman says the group is well equipped to take advantage of an upturn in trade when the national economic climate

As reported July 29, pre-tax profits for the year ended March 31, 1980 dropped to £2.61m (£3m), struck after a sharp rise in interest charge from £0.74m

At the year end, shareholders' funds were ahead from £18.75m to £23.7m. Bank overdraft and acceptance credits had increased to £12.96m (£8.06m).

Meeting, Manchester, September 18, 11.30 am.

# Redland expects midterm rise but warns on year

Rediand, the UK building materials company, will not be able to match last year's results unless exchange rates move substantially in its favour, chairman Mr. Colin Corness warned at yesterday's annual meeting.

Bearing in mind the conditions facing the construction industry in the major industrial economies, he said, "it would be foolish to pretend that we can avoid adverse impact on our

Profits in the first half would be higher than last year, mainly due to the milder winter condi-tions in northern Europe. Last year's second half, on the other hand, benefited from normal weather and the catching up of work suspended or delayed earlier in the year.

Mr. Corness said that efforts by governments to curb inflation were having an even more serious impact than the weather. In the UK, he commented, "we have directly cuts in the like the commented of the control of the cuts in the like the control of the cuts in the like the control of the cuts in the like the cuts in the cuts in the like the cuts in the cuts have drastic cuts in public expenditure at both central and local levels, coincident with exceptional and sustained high interest rates."

Once again, Mr. Corness said "we witness the prospect of a government preferring to sacrifice long-term investment in the

In its last financial year to March 29, 1980, Rediand lifted pre-tax profits from £45.2m to £57.3m on sales up from £397m to £495m. If the pound had not strengthened against most foreign currencies profits would have been some £3.5m higher. strengthened against most foreign currencies profits would have been some £3.5m higher.

Referring to Redland's foreign tions with an overseas customer activities, Mr. Corness said the for the sale of reconnaissance U.S. housing programme had equipment valued in excess of fallen to around half the level £1.5m had been successfully conconsidered appropriate to the cluded, putting the order book

decline for several years, though to influence what would be a competition was intensifying. It poor first half. was hard to see how Braas, the group's German subsidiary, could match last year's good results. Some countries, such as Australia, did, however, show promise, he said.

#### **BOARD MEETINGS**

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purposes of considering dividends. Official indications are not available as to whether dividends are Interims or finals and the subdivisions shown below are based melnly on last year's timetable.

TODAY Interims: Alcan Aluminium (UK).
BBA, William Jacks, Scottish Northern Investment Trust.
Finals: Barker and Dobson, Gripperrods, Standard Industrial, Wagon Finance, Wiggins Construct.

Į.	FUTURE DATES		
St	Interims:		
er.	Babcock International	Sept.	19
al	Bestobell	Sent	
	Biddle	Sant	41
ρĒ	Bodycote International	Sent	-17
đ	Briden	Sent.	ï
	Cosalt	Copt.	:
	Debenhams	Sept.	٠.
13	Decid-	OCT.	19
n	Dorada	Sept.	74
_	Farmer (S. W.)	Sepi.	
е	Hapworth Ceramic	Sept.	1
r.	Invergordon Distillers	Sept.	
e	Northern Engineering Inds	Sept.	- 4
	Nurdin and Peacock	Sont	11
ie	Peninaular and O. Steam Nav.	Sont.	11
ď	Pritchard Services	Sept	-
Ţ-	Woodward (H.)	Sani	- 7
-		Jepi.	
h	Finals:—		
	Linfood	Sept.	
i,	Macallan-Glanlivet	Oct.	:
-,	Staffordshire Potteries	Sent	į

ince long-term investment in the infrastructure of the country rather than facing up courageously to pruning public sector current expenditure."

The investment in the infrastructure of the country of this year. He said: "Trading conditions generally in the current financial year have become increasingly difficult and there are no signs wet of

Vinten Group, said that negotia-tions with an overseas customer

country's needs.

In West Germany, housebuilding was forecast to be in slow of the contract had come to late

#### £61m FOR BAC **STOCKHOLDERS**

An issue of £61.07m of 10 per

Corporation (Holdings). The Department of Industry announced on August 21 that compensation had been settled with the stockholders' repre-

#### **PSIT** re-funds its banking facilities

Mr. A. R. Perry, chairman of Property Security Investment Trust, tells shareholders in his annual report that since the end of the company's financial year, further refunding of the group's banking facilities has been arranged on terms of 5 to 7 years and at more favourable rates of

The group, he adds now has adequate financial facilities both for its present development programme and for additional opportunities as they arise. As reported on August 12, the pre-tax surplus in the year to March 31 last jumped by £505,000 to £865,000 from gross income of £4.66m (£3.74m). Shareholders' funds are shown

£37.11m compared with

#### CCA profits at Davy Corporation

Historical pre-tax profits of f15.94m (£26.13m) achieved by Davy Corporation, the major engineering and construction group, for the year to March 31, 1980, are reduced to £13.8m (£23.8m) on a CCA basis, the

annual accounts reveal.

The CCA profit is after adjustments for cost of sales, £2.8m (£2.2m) (carcelled out by monetary working capital) depreciation, £2.5m (£2.3m), gearing, £0.4m less £0.8m interest on

net horrowings.

Retained profits of £4.41m (£9.76m) on a historical basis are reduced to a CCA figure of £2.1m (£7.6m). Earnings per share on a CCA basis are stated At issue of 20,07m of 10 per are reduced to 2 CCA light of the chairman of Cawoods Holdings, made yesterday as compensation share on a CCA basis are stated Mr. Edward Binks, warned of due in respect of the unquoted as 9.6p against 19.6—the historiafall in profits for the first half securities of British Aircraft cal figures are 12.5p (22.7p).

#### Scottish Inv. Trust well ahead

PRE-TAX REVENUE of Scottish Investment Trust rose sharply from £3.72m to £5.10m in the nine months to July 31, 1980, but the board says the increase is unrepresentative of the posi tion expected for the year partly because of dividend back-logs received last year.

In the year ended November 5, 1979, pre-tax revenue had increased from £4.62m to £5.84m. Gross income for the nine months improved from £4.35m to Net asset value per amounted to 153.3p against 128.2p.

including the effect of the \$10m currency swap arranged in April, the company has moved some \$10m out of the UK in the current year of which \$6m has been invested in the U.S. and \$4m in the Far East.

#### Fife Forge advances mid-term

An advance from £101,940 to £201,165 in pre-tax profits is re-ported by the Fife Forge Company, forgemaster, engineer and steel merchant, for the half year to June 30, 1980. Turnover in-creased from £3.23m to £3.87m. After tax, up from £53,000 to £104,600, profits retained amounted to £69,771, compared

The interim dividend is raised from 0.8p to 1p—last year's total was 3.3p from pre-tax profits of £173,000.

#### Christopher Moran AGM postponed

Christopher Moran Group, the insurance broker with large Lloyd's of London interests, bas postponed its annual general meeting from September 3 to October 31. Last week the com-pany said that the accounts were still in the course of pre-

#### **BIDS AND DEALS**

# Hargreaves' £2m sale

Tilcon is making the acquisition with effect from September 1 and the stocks of Skipton, one of seven quarries which Hargreaves own in the north of England, will be taken over at valuation.

During the financial year ended March 31, 1980, profits before tax contributed by Skipton Rock Quarry to Hargreaves Quarries amounted to £181,000.

Proceeds of the realisation will be applied by Hargreaves Quarries in the development of its other quarries, and in the reduction of borrowings.

#### PROGRESSIVE SECURITIES

Progressive Securities Invest-ment Trust says it has received a second approach following its announcement last week, Discussions are taking place which may result in an offer being made by this party for the share capital of Progressive.

A further announcement will be made shortly.

JOHN HASTIE BUYS **SPEEDCRANES** 

John Hastie of Greenock (Holdings), a member company of Vickers marine engineering division, has acquired from the liquidator of Speedcranes of Gourock the right to use the Speedcranes trade name, its patents, drawings and industrial rights. Key personnel of Speedcranes have also been employed

by Hastie. Before liquidation. Speed-cranes, a privately owned com-pany, was one of the leading manufacturers of derrick cranes in the UK and a major supplier to the marine industry to the marine industry.

John Hastie is an inter-nationally known manufacturer of ships' steering gear and intends to continue production of derrick cranes under the name Hastie Brown Speedcrane. It also intends to commence further product development.

H. GOLDMAN Mr. Ian Wasserman, a former director of the Slater Walker

Hargreaves Group's wholly group, has increased his stake owned subsidiary is selling free-hold land and the quarrying, ware, clocks and watches whole-coating and mobile plant of its saler. He now holds 254,000 Skipton Rock Quarry for £2.12m shares representing 11.06 per cent of the equity.

Earlier this week it was revealed that he held a 10 per cent shareholding in Goldman.

#### TIMES PUBLISHING/ MARSHALL

CAVENDISH The offer by Times Publishing to acquire the whole of the share capital of Marshall Cavendish, other than the 6.05m ordinary shares it aiready owns, has been declared unconditional.

Acceptances have been received

in respect of 12.1m shares, or approximately 85 per cent of those subject to the offer.

Times Publishing held 5.5m ordinary shares in Marshall Cavendish at July 10, 1980, and since then has purchased 550,000

through the market. The offer remains open.

Marshall Cavendish is holding an extraordinary general meet-

SHARE STAKES
Crown House — W. Best,
director, notifies that his wife
has sold 68,000 shares and a has sold 68,000 shares and a trust, in which he has no beneficial interest, has sold 100,000.

Pilkington Brothers — Lord Pilkington has disposed of 36,900 shares leaving interest 19.93m shares (6.52 per cent), Dr. L. H. A. Pilkington has disposed of 34,600 non-beneficial leaving disclosable interest 3.91m shares (6.23 per cent) as trust and trantmin. In a garee ment is for the period to December 31, 1984, and provides the prospector with an option to purchase the mineral rights for sum of up to £1.1m. Should a mine be formed to extract minerals, IST will have the right to subscribe for up to 17½ per cent of the initial working canital of such a venture, result-(2.33 per cent).
S. and W. Berisford — W. I.

Hubert, director, has sold 50,000 interest in 6.35 per cent of the shares at 182p, of which 45,000 from a charitable trust in which he has a non-beneficial interest.

The initial consideration of £161.091 is equivalent to 14 ordinary shares of 5p each in the first shares of 5p each in the first shares of 5p each in the first shares of 5p. and the first shares at 182p, of which 45,000 interest in 6.35 per cent of the venture. Deritend Stamping Company-

(15.93 per cent).

Estates and General Investments—C. G. Layley and D. G.
Randall have acquired 58,175
shares making holding 1.66m
(9.15 per cent).

Racal Electronics—Prudential
Corporation holds 13.25m shares
(less than 5 per cent).

(less than 5 per cent). Williamson Tea Holdings Ford Salaried Contributory Pension Fund has increased its holding to 184,500 shares (8.06

Brown and Tawse—J. Walker has sold 480,000 shares of which 300,000 were beneficially held by C. Walker and Sons; the interest is now: J. Walker 426,000 shares (4.15 per cent), all of which beneficially held by C. Walker and Sons.

#### LONDON INVEST.

London Investment Trust states conditional contracts have ben exchanged for the acquisi-tion of 51,140 ordinary shares in Investors Savings Trust or 63.28 per cent of the ordinary shares. Together with its existing hold-ing, LIT will own 99.58 per cent of IST and will make an offer for the outstanding ordinary

IST, formerly Klerksdorp Con-solidated Goldfields, is a public unquoted investment company with a portfolio comprising cash and securities currently valued at approximately £250,000. In addition, IST owns the minerals rights on land totalling 5,300 acres on farms in the Klerksdorp

district of South Africa. IST concluded an agreement on August 15 with a subsidiary of Anglo-Transvaal Consolidated Investment Company of South Africa whereby IST has granted prospecting rights, principally for gold and uranium. This agreement is for the period to December 31, 1984, and provides the prospector with an option to cent of the initial working capital of such a venture, resulting in LIT having a direct interest in 6.35 per cent of the

LIT for each ordinary share of Britannic Assurance Company £10 in IST and will be satisfied has an interest in 840,250 shares by the issue of 715,960 ordinary by the issue of 715,960 ordinary in LIT. Arrangements have been

> net proceeds arising from any disposal of the mineral rights. The net assets of IST for the year ended November 30, 1979, were £234,689 and losses before taxation, amounted to £11,332.



#### **Consolidated Plantations Berhad**

The Directors of Consolidated Plantations Berhad will recommend to the Shareholders at the Annua General Meeting of the Company to be held in Kuala Lumpur on 5th November 1980 the payment of a final dividend of 11.0 cents per share gross for the financial period ended 30th June 1980. Subject to approval by the Shareholders, the dividend will be paid less Malaysian income tax, on 11th November 1980 to Shareholders on the Company's Registers at the close of business on 1st October 1980. The final dividend together with the interim dividend of 7.0 cents per share gross paid on 16th April 1980 makes a total distribution for the year of 18.0 cents per share gross which compares with the total distribution for the previous year of 17.3 cents per share gross (interim 6.7 cents per share, final

	PROFITS		-M\$ Million -	-M\$ Million -
•	TURNOVER - E	xtemal .	<u>238.8</u>	209.6
	PROFIT BEFORE	ETAXATION	99.0 <u>36.5</u>	92 2 36.4
-	EXTRAORDINA EXTRAORDINA		62.5 0.9	55.8 9.8
•	PROFIT ATTRIB CONSOLIDA	UTABLE TO SHAREHOLDERS OF TED PLANTATIONS BERHAD	<u>63.4</u>	<u>65.6</u>
-	COST OF DIVIDE	ENDS PAID AND PROPOSED - NET	49.8	47.3
	EARNINGS PER DIVIDENDS PER	SHARE SHARE — Net of Malaysian income tax	M.cts 13.5 10.8	M.cts 12.3 10.4
	SALES AND AVE	RAGE SELLING PRICES:		-
	PALM OIL	<ul><li>Sales ('000 metric tons)</li><li>Net of duty price (M\$)</li></ul>	119 1,028	110 975
	PALM KERNEL	- Sales ('000 metric tons) - Ex-mill price (M\$)	25 807	23 768
	FFB	<ul><li>Sales ('000 metric tons)</li><li>Ex-estate price (M\$)</li></ul>	61 208	62 1 <del>9</del> 5
	RUBBER	- Sales ('000 kgs) - Net of duty price (M\$)	26,707 2.34	27,833 1.90
	COCOA	- Sales ('000 kgs) - FOB price (M\$)	431 5.96	271 6.71
•	INCOME DERIVE	·	- M\$ Million -	– M\$ Million –
		n products, rubber and cocoa	238.8 11.7	209.6 9.1
	- Other Sources		<u>1.0</u>	<u> </u>
			<u> 251.5</u>	<u>219.4</u>

Consolidated Plantations Barhad commenced trading on 1st January 1980. The results for the period comprise those of Consolidated Plantations Limited and its liquidated subsidiary companies from 1st July 1979 to the dates of their liquidation and of Consolidated Plantations Berhad from 1st January 1980 to 30th June 1980. The comparatives shown are the

Consolidated Plantations Limited Group results for the year ended 30th June 1979. The extraordinary items relate principally to surpluses from sales of an investment and

> By Order of the Board WONG TET ONN



HIGHLIGHTS OF

#### PRELIMINARY ANNOUNCEMENT OF THE RESULTS FOR THE YEAR ENDED 30TH JUNE, 1980

# Sime Darby Berhad

...our fifth consecutive year of record profits, which have now more than doubled over the past four years

# Pre-Tax Profits

-up22%toM\$266million

**Dividends** –an increase of 15%

Earnings per Share -rose by 32% to 20-97 cents

#### SUMMARY OF CONSOLIDATED RESULTS

1980 £ Million	· ·	1980 M\$ Million	1979 M\$ Million
53.3	PROFIT BEFORE TAXATION	266.3	218.9
23.4	EARNINGS — Profit after taxation and minority interests	116.7	84.1
pence 1.56	DIVIDENDS PER SHARE	cents 7.80	cents 6.76
4.19	EARNINGS PER SHARE	20.97	15.94
29.00	NET ASSETS PER SHARE	146.00	131.00

1. The proposed final dividend of 13.00 cents per share will be paid, less Malaysian income tax, on 28th November 1980. 2. The 1979 comparative figures per share have been adjusted for the effect of the 1 for 3 bonus issue made in April 1980,

3. The results do not include the profits on the sales, after the year end, of the Group's investments in The Amoy Canning Corporation (Hong Kong) Ltd and Highlands and Lowlands Berhad.

Kuala Lumpur.

Kuala Lumpur 28th August 1980.

# Wheels for Nigerian railway

The BRITISH STEEL CORPORATION has won a contract worth
nearly £3m to supply railway
wheel sets for the Nigerian
Railway Corporation. Work on
this order, which is for wheels
and axles together, will go to
the wheel forge, machining and
assembly departments at BSC's
Trafford Park Works in
Manchester, and to the railway
axle manufacturing plant at

The industrial facilities

The supply of ventilation equipment for the pulp and paper
Rawenstall, Lancs.. has placed
mill complex at Oku Iboku. The
activation equipment for the pulp and paper
Rawenstall, Lancs.. has placed
mill complex at Oku Iboku. The
contract, worth over £470,000,
THONAL COMPUTERS for 26 of
together with INTERNAtomill complex at Oku Iboku. The
activation equipment for the pulp and paper
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together, will go to
the wheel forge, machining and
assembly departments at BSC's
Trafford Park Works in
Manchester, and to the railway
axie manufacturing plant at
The industrial faithing discision

The U.S. Air Force has
awarded a contract worth more axie manufacturing plant at Ickles Works in Rotherham. Delivery should begin early next year and will continue over 10

British and overseas equipment orders worth some £1.25m have been won by BABCOCK JENKINS, Retford, a subsidiary of Babcock International. The biggest contract, worth some £550,000, was placed by Civil and Marine, Greenhithe, for two conveying systems, The first is for a land conveying system to bring gravel to a stocking out area; the second is for purpose-built ship conveyors for the dredger which will collect the said and gravel from the North Sea. The complex is to be operational by October this year.

recent orders for ing Company, Lagos, Nigeria, for platform.

address are:

29 August 1980

The industrial finishing division of CARRIER ENGINEERING has secured a contract worth £450,000 to supply paint plant to J. C. Bamford Excavators. The plant will be for the complete "B" machines' range which includes crawler excavators, articulated loaders and telescopic handlers. With production start-up planned for the end of start-up planned for the end of 1980, Carrier will supply a 10 metres long flatting booth, a steam cleaning and degressing facility, a Carrier-patented hydro-spin spray painting booth equipped with Hydropac was a carrier and a system a syste paint control system and a moisture dry-off oven.

**METALLURGICAL ENGINEERS** London, has received a contract worth almost £250,000 from McDermott Engineering for the CARRIER-ROSE ENGINEERING design and supply of two hot oil COMPANY, is one for the heaters from the Amoco N.W. Nigerian Newsprint Manufactur Hutton drilling and production

General Mining

Union Corporation Group

**CHANGE OF NAME AND ADDRESS** 

Corporation (UK) Limited has changed its name to General Mining Union Corporation (UK) Limited. As from 1 September 1980 the offices of General Mining Union Corporation (UK) Limited will

30 Ely Place

London EC1N 6UA

Telephone: 01-404 0873

The Companies for which General Mining Union Corporation (UK) Limited will provide London Secretarial services from the above

General Mining Union Corporation Limited

Stilfontein Gold Mining Company Limited West Rand Consolidated Mines Limited

The Grootviei Proprietary Mines Limited

Marievale Consolidated Mines Limited

Impala Platinum Holdings Limited

The Clydesdale (Transvaal) Collieries Limited

Trans-Natal Coal Corporation Limited
The Griqualand Exploration & Finance Company Limited

per pro General Mining Union Corporation (UK) Limited

NOTICE OF MEETING

To the Holders of

Itel Finance International N. V.

93/4% Guaranteed Debentures due 1988

93/4 % Guaranteed Debentures due 1990 101/2 % Guaranteed Debentures due 1993 NOTICE IS HEREBY GIVEN, in connection with the above-mentioned Debentures issued under Indentures dated as of April 1, 1978, October 1, 1978 and May 1, 1979, respectively, with Itel Finance International N.V. as Issuer and Itel Corporation as Guarantor, that J. Henry Schroder Bank & Trust Company as Successor Indenture

Trustee has called a meeting of Holders of the above-mentioned Debentures for Septem-

ber 9, 1980 at 10 a.m. at The Tower Hotel, St. Katherine's Way, London E.1 England. and that the agenda of such meeting will consist of matters relating to the current

financial circumstances of Itel Corporation and its efforts in the restructuring of its debt

as set forth in a press release issued by Itel Corporation on August 22, 1980. An officer of J. Henry Schroder Bank & Trust Company and its counsel will be present at the meeting, as well as an officer of Itel, its counsel and a representative of Goldman, Sachs & Co.,

Holders who wish to obtain a copy of the aforementioned press release may contact J. Henry Schroder Bank & Trust Company by mail or telephone, attention: George R. Sievers, First Vice President, J. Henry Schroder Bank & Trust Company, One State

> J. HENRY SCHRODER BANK & TRUST COMPANY as Successor Indenture Trustee

Bracken Mines Limited

Kinross Mines Limited

Leslie Gold Mines Limited

Winkelhaak Mines Limited St Helena Gold Mines Limited

United Gold Mines Limited

UC Investments Limited

The addresses of the Registrars are unchanged.

Sentrus: Limited

Union Corporation Limited Buffelsfontein Gold Mining Company Limited

Following the change of name of the parent Group, Union

awarded a contract worth more than \$7m (£2.9m) to GOODYEAR AEROSPACE CORPORATION to build radar ground equipment capable of producing tactical target reports 10 times faster than current systems. The radar system is scheduled for delivery to the U.S. Air Force in Germany

AVDEL, Welwyn Garden City.
part of the Newman Industries
Group, has secured a £1.5m
order from the USSR for the
supply of machine tools, plant
and equipment for the manufac and equipment for the manufac-ture of the "Avdel self-plugging rivet." It includes production tooling for an estimated 5 years programme as well as 650 rivet installation and trimming tools, together with spare parts. The fastening system will be used in the construction of metal faced timber portable homes being developed and built by the Ministry of Forestry.

Orders worth £1.5m have formed in June to extend the been awarded to HINDLE/
COCKBURNS, part of Lake and Elliot's valve division. Matthew Hall has ordered industrial valves worth £275,000 for BP's Magnus project, and other orders are in hand for BP Kinneal (£220,000); Ras Lanui, Libya (£220,000); Ras Lanui, Libya (£200,000); the Italian State Electricity Board (£160,000); ICI (£160,000); BP Grangemouth (£120,000) and Snamprogetti, £137,000 for Milford Haven pipe.

Tonbridge, a design group rier 20 head air blower, a Kettner Kontiround wraparound carton packer and an Otto Sick bottle conveyor system, Included in the line are also a Stork 80 from Sulzer Bros.. Winterthur, head vacuum filler, a Bertolaso switzerland, for eight integrated 12 head pilferproof capper lube and seal oil units, used in Jagenberg Solar 30 labeller.

(£220,000); Ras Lanui, Libya (£200,000); ICI (£160,000); BP Grangemouth (£120,000) and Snamprogetti, £137,000 for Milford Haven pipe. £137,000 for Milford Haven pipe-line valves. Orders include £120,000 for Canada, and £105,000 of manoeuvring valves for the

Further orders tropospheric scarter equinment have been received by MARCONI COMUNICATION SYSTEMS, Chelmsford, a GEC-Marconi Elec-tronics company. Placed by British Telecom and Phillips Petroleum, the orders, worth over £1m in all, are to link the Phillips Petroleum Maureen plat-form in the North Sea with the British Telerom land station at Mormond Hill, Aberdeenshire.

LINK ELECTRONICS has won an order worth almost £500,000 from the Independent Broadcasting Authority to supply equipment to be used in the intro-duction of the fourth television channel. The order is for transmitter programme input equip-

Orders placed with SIGMUND PULSOMETER PUMPS, a member of the SP Group, for pumps to be installed at the Nigg Bay Oil Terminal in Scotland have totalled just under £400,000. Three pumps are to be supplied for pumps are to be supplied for handling treated effluent liquid brine saturated with air at atmospheric pressure. Two 4 vertical units and two horizontal split-case pumps are to provide sea water for fire protec-tion duties.

£2m bottling plant

A £2m contract has been brine intection pumps, destined awarded to SEITZ ENGINEER- for the Saudi Arabian oil-fields. ING (GB), Weybridge, by Bass The John Smith. Keighley Ireland for a new combined beer works of ADAMSON BUTTERand soft drinks bottling plant at LEY has won a £188,000 contract Belfast. The modernisation will to manufacture an overhead replace the existing bottling travelling crane for Tunnel lines by one complete line Cement of Mold in Clwyd, North capable of handling the entire Wales. The 12 tonne capacity range of products beer, soft grabbing crane is a replacement drinks and fruit juices. To model to handle limestone, sand, drinks and fruit juices. To model to handle limestone, sand, start production in June 1931, gypsum, coal and shale used by the new facility will be capable. Tunnel to manufacture cement of producing 30,000 bottles per clinker.

Wakefield Metropolitan District Assurance company has ordered Council has ordered its fourth for installation at its head-Reality mini-computer/management information system from COMPUTER MACHINERY COM-PANY, Worth £272,000 it includes 28 processing terminals, 21 "hard

PYE TVT, the broadcast company of Philips, has won a £250,000 transmitter contract from the Zambian broadcasting services for two radio and two television transmitters. television transmitters. The contract includes the installation of the television transmitters and a full range of test and monitor-ing auxilliary equipment. The two television transmitters will be used to extend the ZBS cover-age to Chipata and Kasama

MORIG INTERNATIONAL

In Circulation
In Banking Department
ASSETS
Government Debt.
Other Government Securities...
Other Securities...

The London and Manchester quarters in Exeter communica-tions controllers, printers and over one hundred 3230 visual display screens valued at £168.000 from ITT BUSINESS SYSTEMS.

PETER BROTHERHOOD.

H. ERBEN of Hadleigh has been appointed main contractor for a new 12,000 bph bottling line by Martini and Rossi of Southampton, Martini's new project is an upgrading of its line 4, needed to provide additional production facilities for fast-growing vermouth sales. From Erben's own stable, come a Per-rier 20 head air blower, a Kettner Kontiround wraparound Tonbridge, a design group rier 20 head air blower, a formed in June to extend the activities in the UK of the Finnish company, Partek, have landed an order, worth £250,000 in the line are also a Stork 80 from Sulzer Bros.. Winterthur, head vacuum filler. a Bertolaso

65,947,362 15,947,362

35,354,892 14,645,108

	Wednesday August 27 1980	Increase (+) or Decrease (-) for week
BANKING	DEPARTMENT	r
Liabilities	£	£
Capital	14,553,000	_
Public Deposits	35,828,292	+ 5,418,133
Bankers Deposits	688,783,905	- 10,244 589
Reserve & other Accounts	617,677,195	- 27,486,260
	1,356,842 390	- 13,828,538
ASSETS	_	
Government Securities	733,594,064	± 160,735,000
Advances & Other Accounts	250,631,905	<b>— 222,307,175</b>
Premises Equipment & Other Secs.	363,639,200	± 61,714,755
Notes	8,694,340	- 13,947,362
Coin	282,881	- 23,756
	1,356,842,390	— 13,828,55B
		_
ISSUE I	DEPARTMENT	
Liabilities	£	£
Netes Issued	10 250 000 000	. EO 000 000

#### Parf Irnding Dates

11,015,100 8,483,766,368 1,855,218,532

10,350,000,000

A.B.N. Bank 16 % Allied Irish Bank 16 % American Express Bk. 16 % Amro Bank 16 % Henry Ansbacher 16 % A P Bank Ltd. 16 % Arbuthnot Latham 16 % Bank of Credit & Cmce. 16 % Bank of Credit & Cmce. 16 % Bank of N.S.W. 16 % Banque Belge Ltd. 16 % Banque du Rhone et de la Tamise S.A. 161% Barclays Bank 16 % Bremar Holdings Ltd. 17 % Brit. Bank of Mid. East 16 % Brown Shipley 16 %	Hambros Bank 16 % Hill Samuel 16 % C. Hoare & Co 116 % Hongkong & Shanghai 16 % Industrial Bk. of Scot. 161 % Keyser Ullmann 16 % Knowsley & Co. Ltd 18 % Langris Trust Ltd 16 % Lloyds Bank 16 % Edward Manson & Co. 17 % Midland Bank 16 % E Morgan Grenfell 16 % National Westminster 16 % Norwich General Trust 16 % Rossminster 16 % Ryl. Bk. Canada (Ldn.) 13 % Schlesinger Limited 16 %
S Brown Shipley 16 % Canada Perm't Trust 17 %	Schlesinger Limited 16 % E. S. Schwab 16 %
Cayzer Ltd 16 %	Security Trust Co. Ltd. 17 %
Cedar Holdings 17 % Charterhouse Japhet . 16 %	Trade Dev. Bank 16 %
Charterhouse Japhet . 16 % Choulartons 16 %	Trustee Savings Bank 16 %
C. E. Coates 16 %	Twentieth Century Bk. 16 %
Consolidated Credits . 16 %	United Bank of Kuwait 16 C.
Co-operative Bank*16 %	Whiteaway Laidlaw 164%
Corinthian Secs 16 %	Williams & Glyn's 16 %
The Cyprus Popular Bk. 16 %	Wintrust Secs. Ltd 16 % Yorkshire Bank 16 %
Duncan Lawrie 16 % Eagil Trust 16 %	"
E. T. Trust Limited 151%	Members of the Accepting Houses Committee.
First Nat. Fin. Corp 19 %	7-day deposits 14%. 1-month
First Nat. Secs. Ltd. 19 %	deposits 144%
Robert Fraser 16 %	† 7-day deposits on sums of £10.000
Antony Gibbs 16 %	and under 14%, up to £25.000 14½%, and over £25,000 14½%.
Greyhound Guaranty . 16 %	
Grindlays Bank 116 % Guinness Mahon 16 %	t Cell deposits over £1.000 14%.
— синтеза мянов ···· 10 %	Demand 00005/19 14"2"%-

# Anglo American Industrial Corporation Limited

INTERIM REPORT AND INTERIM DIVIDEND

The following are the unaudited results of the corporation and its subsidiary companies for the six months ended June 30 1980, together with the comparative figures for the six months ended June 30 1979 and the year ended December 31 1979. These should be read in conjunction with the notes below:

Group profit before taxation (Note 3)  Deduct: Taxation and deferred taxation	Six months ended 30.6.80 R000's 113 903 41 676	Six months ended 30.6.79 R000's 64 204 21 719	Year ended 31.12.79 R000's 150 043 50 736
Group profit after taxation	72 227	42 485	99 307
Less: Profit attributable to minority interests in subsidiary companies	17 340	5 628	13 777
Group profit attributable to shareholders before non-trading items (Note 5)	54 887	36 857	85 530
Cost of interim dividend No. 33 of 42.5 cents per share	11 460	8 730	
Number of shares in issue	26 964 547 263.6 42.5	26 861 947 137.2 32.5	26 964 547 317.2 105.0
NOTES:	•		

The arrangements whereby a wholly-owned subsidiary of the corporation, Scaw Metals Limited, acquired joint control of Haggie Limited (Haggie) and a 35.25 per cent effective interest at a cost of R50.65 million were finalised in May 1980 and took effect from January 1 1980. The Amic group has also acquired with effect from March 1 1980 an 80 per cent equity interest in Control Logic (Proprietary) Limited (Conlog) at a cost of approximately R6.7 million. Accordingly, the group's results for the six months ended June 30 1980 include the attributable profits of Haggie and Conlog.

The group's operating subsidiaries and companies in which the group has major investments have reported substantially increased profits for the six months ended June 30 1980. It is anticipated that the group results for the second half of 1986 will be similar to those reported for the six months to June 30 1980.

The results of certain foreign subsidiaries have not been consolidated in the respective group results of two wholly-owned subsidiaries of the corporation.

During the period July 1 1979 to December 31 1979 a further 102 600 ordinary shares were allotted and issued in terms of the corporation's share incentive scheme, thereby increasing the number of ordinary shares in issue from 26 861 947 at June 30 1979 to 26 964 547 at December 31 1979.

5. Non-trading items The group profit excludes the following:

	Six months ended 30.6.80 R000's	Six months ended - 30.6.79 R000's	Year ended 31.12.79 R000's
Amount written off goodwill	-	(3 614)	(3 359)
Surplus on disposals of land and buildings	· ~	1 936	2 1 <del>44</del>
Surplus on realisation of investments	1 113		99
Other items (net)	(969)	218	(1 009)
•	144	(1 460)	(2 125)
	<del>====</del>	_	
<ol><li>Particulars of the group's listed investments</li></ol>	are as follow:	<b>:</b>	-
· · ·	At 30.6.80 11000°s	At 30.6.79 R000's	At - 31.12.79 R090's
Market value	184 984	105 377	138 834
Book cost	44 479	47 433	47 433
Appreciation	140 505	57 944	91 401

Group commitments for capital expenditure at June 30 1980 amounted to R232 284 000 (1979: R35 909 000).

For and on behalf of the board

101

Directors

Interim Dividend No. 33 Interim dividend No. 33 of 42.5 cents a share (1979; 32.5 cents), for the year ending December 31 1980 has been declared payable to shareholders registered in the books of the corporation at the close of business on September 26 1980.

The share transfer registers and registers of members will be closed from September The share transfer registers and registers of members will be closed from September 27 to October 9 1980, both days inclusive, and warrants will be posted from the Johannesburg and United Kingdom offices of the transfer secretaries on or about October 23 1980. Registered shareholders paid from the United Kingdom will receive the United Kingdom currency equivalent on October 14 1980 of the rand value of their dividends (less appropriate taxes). Any such shareholders may, however, elect to be paid in South African currency provided that any such request is received at the offices of the corporation's transfer secretaries in Johannesburg or the United Kingdom on or before September 26 1980.

The dividend is payable subject to conditions which can be inspected at the head and London offices of the corporation and also at the offices of the corporation's transfer secretaries, Consolidated Share Registrars Limited, 62 Marshall Street, Johannesburg 2001 and Charter Consolidated Limited, P.O. Box 102, Charter House, Park Street, Ashford,

The effective rate of non-resident shareholders' tax is 15 per cent.

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED per D. M. Davidson Divisional Secretary

London Office: 40 Holborn Viaduct London EC1P 1AJ August 29 1980

Registered Office: 44 Main Street

#### Cologne has optimum transport connections:

E. g. 995 passenger trains daily, 180 of which are international (16 TEE trains, 48 intercity trains). 10 motorways connect Cologne to Europe.

Street, New York, New York 10015-(212) 269-6500.

32 goods stations, including one of the largest container stations in Germany; 6 harbours; an international drive-in airport, second in Germany for goods

Of the 58 large cities in the Federal Republic 24 are within a radius of 80 km from Cologne.

#### More reliable and more economical energy for Cologne.

55 thousand million tons of brown coal are deposited before the gates of Cologne. The city's natural gas and oil supply is directly connected to the large

Cologne has an unusually manifold and healthy economic structure.

Centre of industry, banking and insurance. Location of 40,000 industrial

establishments. Trade fair centre: 16 international trade fairs and exhibitions. Broadcasting centre: 4 broadcasting

Cologne is also a shopping centre for 4 million people: 8,430 retail shops.

#### Cologne has a rich manpower potential

Nearly all professions are represented. At the moment approximately 32,000 industrial training places and almost 44,000 students.

#### And - Cologne lays high value on recreation.

Culture is emphasized: e. g. 18 mueums and 12 theatres. Sports facilities, extensive public parks and gardens as well as nearby recreation areas with expansive woods and lakes.

#### Cologne offers developed. easily accessible property.

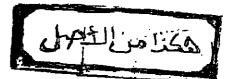
In 1979, alone through the Office for Promotion of Trade and Industry, 356,000 sq. metres of industrial and commercial areas was procured for 99 companies. That is the best proof of the attractiveness of Cologne's position.

Secure the advantages of Cologne's position for you too

Hey polition

Amt für Wirtschaftsförderung

Am Hof 52, D-5000 Köln 1 Tel. 0221/221-3781 Telex 08 882 988 dost d



# South Korea sees autumn return to capital markets

SOUTH KOREA hopes to return to the money markets this autumn after a period of enforced absence caused by the political upheavals of last May, but it is prepared to wait if borrowing terms prove unsatis-

This was stated yesterday by Mr. Chung In-Yong, the Assis-tant Minister of Finance for international financial affairs, from the summer holidays. Mr. Chung told the Financial Times that he thought it should be possible for South Korea to Doo-H'wan as President this the same or "not much more" for its loans than it was

ing and had raised \$700m of Development Bank which was cost the country roughly \$3bn this amount by mid-May. At originally planned for this more than in 1979 but exports that point, the outbreak of autumn. something approaching civil war

(Securities) into a seven-year

bond with a coupon of 12% per

Holders of outstanding bonds,

which mature on September 15,

1980, are invited to exchange

them at maturity at face value

for new bonds issued by the

same borrower. Those banks

which do will receive a 1 per

Meanwhile, UBS (Securities)

has fully underwritten the new

issue for a management fee of

1 per cent. The borrower will

on the second Monday of each month.

EIB 133 90 100
Eksportfinans 1114 87 50
Eksportfinans 1124 87 50
Eksportfinans 91- 87 75
Elec. de France 10 88 125
Export Dv. Cpn. 91- 86 150
Export Dv. Cpn. 91- 86 150
Export Dv. Cpn. 91- 86 150
Federal Dev. Bk. 124 85 75
Fin. Exp. Credit 102 85 50
Finland Rep. of 91- 86 100
Ford O/S Fin. 124 85 250
George Weston 131- 85 100
GMAC O/S Fin. 13 85 100
GMAC O/S Fin. 131- 85 100
Int. Harvester 122- 85 115
Norwest Ind. 131- 97 100
Ousbec Hydro 111- 92 100
Repsteel O/S 111- 88 100
Ousbec Hydro 111- 82 100
Roylease Ltd. 111- 85 100
SNCF 121- 85 100
Unilever NV 91- 90 100
World Bank 91- 85 200
World Bank 101- 87 200

Average price changes 100

BTCE B<sub>3</sub> 95
Brazil 8 87
Council of Eur. 7<sup>1</sup>4 89
Denmark 7<sup>9</sup> 88
Denmark 84 82
EEC 7<sup>6</sup> 94
Finland Rep. of 8 86
Iberduero SA 9 90
Kobe, City of 173 89
OKB 71 89
OKB 81 92
OKB 81 92
OKB 81 99
World Bank 8 90
World Bank 8 90
World Bank 79 90
World Bank 10 96
World Bank 10 96
World Bank 10 96
World Bank 10 96
World Bank 10 90
Average price changes

cent conversion fee.

cent at par.

in the south-western city of fill \$1bn worth of its long-term Kwangju caused the interrup- commercial bank borrowing tion of a series of \$50m borrow- target for 1980, it is only \$800m ings by the five main com-mercial banks.

There has been no attempt to renew negotiations on syndicated loans since that time, but Mr. Chung said he hopes foreign bankers would re-assess the situation after their return South Korean officials say that between the long-term the election of General Chun overall borrowing figures. week means that political deficit on its international

stability is being re-established. Mr. Chung said yesterday that in 1980, a record figure and South Korea started 1980 it had not been decided whether somewhat less than the \$5.8bn with a \$1.7bn target for long-to proceed with a \$600m syndibeling officially forecast a few term commercial bank borrow-cated loan to the Korea months ago. Oil imports will

New 'roll-over' bond for EIB

in the Eurobond market; the are also entitled to request

borrower to take advantage of the old bonds may acquire

arranged in 1975 through UBS negotiable prices or in the

UNION BANK of Switzerland cent if there are no conver- morning, the result of Wednes-

is pioneering a new technique sions. Holders of older bonds day's weak market in New York.

conversion issue. European Investment Bank is the first the conversion offer.

A \$25m convertible bond issue for Oak Industries expected to be launched should be conversion.

a \$100m 9 per cent issue new notes from the managers at continue to be postponed be-

normal 14 per cent selling group

concession into account—they

would be buying paper which

yields 12.71 per cent. Yesterday, the 11 per cent EIB bonds to

Elsewhere in the dollar sec-

thus pay a maximum fee of 2 tor, prices finished the day ? Swiss market with a SwFr 60m

per cent in the case of full con-per cent down after recovering public issue through Swiss Bank version and a maximum of 1 per from worse falls during the Corporation.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market

exists. For further details of these or other bonds see the complete list of Eurobond prices published

secondary market.

13.42 per cent yield.

Investors who do not hold any through Smith, Batney.

Were such buyers able to pur-chase the 123 per cent seven year bonds at 984—taking the bonement since last Thursday.

secondary market at 90-901. mium is expected to be around yielding 12.98 per cent. The longer dated 134 per cent EIB bond to 1990 was trading on a secondary bond markets shed 134.29 per cent and conversion precent mium is expected to be around 10 per cent and conversion precent and conversion prec

were available in the per cent and conversion pre-

Although Korea has yet to than targeted levels.

#### S. Africa arranging \$250m **Eurocredit**

By Peter Montagnon

SOUTH AFRICA is poised to short of its overall target for undertake a \$250m financing foreign currency inflow during the Euromarkets. The the year. By the end of July credit marks a significant \$6.9bn worth of funds had been step towards the rehabilitacommitted out of a targeted tion of the country as a total of \$7.7m. A heavy shortrespectable International term capital inflow, much of it borrower, largely because it is related to the financing of oil being handled with much less imports, has filled the gap discretion than is normally between the long-term and the case for Euromarket borrowings by this country.

Korea is expected to be in

current account by about \$5.6bn

A \$25m convertible bond

In the DM sector new issues

cause of the weak secondary

ponement since last Thursday.

Company of Japan has launched

a DM 40m eight-year privately

placed convertible through BHF

Bank, Indicated coupon is 64

Copenhagen Telephone A/S is

Closing prices on August 28

scheduled today to come to the

Meanwhile, Nippon Paint

Yesterday, Dresdner

For many years inter-national opposition to South Africa's apartheid policies has forced the country to resort to undercover arrangements With its bankers. These privately arranged financing normally carried much tougher conditions than those available to other borrowers in the same

markets. Now, however, the banks are beginning to accept that the country is set on a gradual relaxation of apartheld. At the same time they are aware that the rapid rise in the gold price over the past two years makes the country a first-class

econ<mark>om</mark>ic risk. The new credit is being arranged by Dresdner Bank of West Germany alongside Citicorp of the U.S., Britain's Barclays Bank and Union Bank of Switzerland.

Detailed terms are still being negotiated with the Government in Pretoria, but a clear principle has been established that the funds will be used to finance housing and education projects for the country's black popula-

Dresduer Bank arranged a credit of \$150m for South Africa two years ago. The borrowing carried a margin of 13 per cent over Today, however. five years. the general downward pressure on Euromarket spreads coupled with the improved rating for South African credit would dictate a significantly lower margin.

News of the Eurocredit comes after a noticeable build-up of South African activity in the Euromarkets in recent months. In June, it launched a DM 120m bond issue, its first public inter-national bond since before the Soweto riots in 1976. Last week Standard Bank of South Africa announced a \$50m floating rate note issue, the first such issue for a South African bank.

#### Campeau bids C\$413m for Royal Trustco

By Our Financial Staff

ROYAL TRUSTCO, Canada's largest trust company, be-came the object of a surprise C\$412m (U.S.\$360m) takeover bid yesterday from Campeau Corporation, an Ottawa-based construction and real estate company.

Campeau is offering C\$21 per common share and C\$29.93 per preferred share. It said it will mail a formal offer to Royal Trustco shareholders in the near future. The price is a substantial premium over market price.

Campeau already owns 5.4 per cent of Royal Trusteo's company, which has major operations in the UK and banking operations in southeastern U.S., reported profit of C\$29m or C\$1.70 a share or C325m or C31.70 a snare for 1979 against C228.8m or C51.80 a year earlier. Its assets totalled C\$7.07bn at end 1979.

Campeau, among the top five Canadian real estate developers, has been expand-ing rapidly recently in the U.S. Its operating income was C\$4.8m or revenues of C\$244m in 1979 against C\$523,000 on C\$209m a year earlier. Assets were more than C\$800m at end 1979 against C\$721m a vear earlier.

#### Further loss at King's Stores

A FURTHER loss of \$1.2m or 17 cents a share was regis-tered in the second quarter of this year by King's Department Stores, of Massa-chussets. This brings the loss for the first half of the year to \$2.1m or 29 cents a share, compared with net earnings of \$4.9m or 65 cents a share in the corresponding period of 1979.

Sales for the six months are slightly down at \$250.6m against \$255.4m. Second quarter sales dipped sharply from \$148.8m to \$131.6m.

#### U.S. QUARTERLIES

GENESCO		
Fourth quarter Revenue Net profits Net per share Year Revenue Net profits Net per share 1 Loss	1980 \$ 187.9m †0.14m †0.07 834.7m 3.45m 0.02	\$ 200.2r †9.92r †0.8 992.9r †7.96r
McDONOUGH		
Second querter Revenue Net profits Net per skere	1990 S 93.8m 1.23m 0.31	

# General Motors expands in Portugal

committed itself to an Es 2.8bn (\$56m) expansion of its present announced last year. operations in Portugal, as part of its drive to increase its share guese Industry Minister, yester- bership of the EEC in 1983. Es 30bn expansion project with of world markets and boost the day estimated that in terms of Recent legislation for the sec-Renault of France earlier this profitability of its overseas operations within the next Portgual's balance of payments, Government and the European negotiating with Ford Europe decade.

General Motors' latest investment involves the acquisition of of Es 1.8bn once the reconverted a plant owned by Cimbor, a plant goes on stream in 1981. Portuguese State-owned components manufacturer, in Ponto components at the plant will be operations, particularly its new

a components plant in

GENERAL MOTORS yesterday Cadiz took the largest slice of a will stimulate Portugal's efforts per cent over last year to \$2bn investment programme to have its under-developed in Es 6.5bn.

> its positive contribution to tor, agreed to by the Portuguese year. Portugal has also been General Motors' latest expansion Commission in Brussels, allows on the possibility of setting up would bring in annual receipts for a five year transition period an estimated \$15n assembly

dustry fully integrated into until 1985 during which a num- plant ber of loss-making assembly and

Sr. Barreto also confirmed components plants would either that Cimbor had been facing be phased out, or taken over by de Sor, 160 kilometres north imminent closure before the larger car manufacturers.

Azambuya, near Lisbon. In east of Lisbon. The production of rubber and plastic vehicle

General Motors agreement. According to Sr. Barreto, the plant assembled a Portuguese automotive industry

However, the U.S. company has Portuguese automotive industry components at the plant will be agreed to give priority to is currently demonstrating a Bedford trucks. Vauxhall export-orientated and linked to Cimbor's 200-strong labour dynamism which is unparalleled Chevettes and Opel Cadets. In the U.S. company's European force, which was in danger of in any other sector of Portu-Portugal, General Motors is the being laid off. The Minister guese industry." He estimated second major exporter of com-

The General Motors agree-Sr. Alvaro Barreto, the Portu- Europe as it approaches mem- ment follows the signing of an

Before vesterday's agreement, General Motors' existing site was an assembly plant at Azambuya, near Lisbon. In plants in Spain.

estimated that the new invest- that in 1980 the value of exports mercial vehicles and lies in An assembly plant in Zaragoza ment would create 400 new jobs. in assembled cars and com- sixth place in domestic car General Motors' expansion ponents would increase by 60 sales.

Hitch to Dow

By James Forth in Sydney

South Australia

TALKS between Dow Chemical

of the U.S. and the Cooper Basin

gas and liquids partnership over

the supply of feedstock to the planned A\$900m petrochemical

project at Redeliff in South

project in

#### Growth at Consolidated Foods

BY DAVID LASCELLES IN NEW YORK

CONSOLIDATED FOODS, the goods, reported a 14 per cent from \$4.72bn. gain in earnings for the fourth quarter, due partly to the suc-said the results stemmed from Net income was \$39.1m or \$1.27 a share, compared with \$34.2m or \$1.06 a share in the

Chicago-based maker of Electro-by 15 per cent from \$111.4m or tobacco. The company had re-lux appliances and a broad \$3.60 a share to \$127.7m or \$4.12 cord earnings and peak sales, range of foods and consumer a share. Sales were \$5.34bn, up principally from share gains in Mr. John Bryan, chairman,

cess of its European operation, increased market share and geographic expansion of existing businesses, new products and firming prices in response same period last year. Sales to inflation. were up only slightly, from \$1.36n to \$1.38bn.

Egberts, its European subsidiary of consumer spending cutbacks.

This lifted full year earnings which produces coffee, tea and its major markets.

However, results were depressed by a drop in sales and earnings at Electrolux, the largest company in the group. Electrolux experienced lower unit volume in both the U.S. He also singled out Douwe and Canadian markets because

Australia are believed to have broken down. The producers are holding out for a price related to world parity for oil, but Dow is concerned that this would upset the viability of the project and wants a lower price.

The hitch comes less than two months before the October 10 deadline, which the U.S. group had set for a decision on Redcliff.

If Dow pulls out, the Japanese group Mitsui has expressed interest and is known to have already completed a feasibility study. Korea has also indicated interest in the project.

proving efficiency at its major EARNINGS at Rexnord, the textile plants, by a better pro- power transmission maker, fell duct mix and an increased con- 46 per cent in the third quarter sumer demand in the face of tribution from the printing of the year, our Financial Staff Street earlier this year that higher wage and other costs, business. Capital expenditures writes. This brings nine-month Stevens might earn less than profits of the group remained of some \$80m have been planned profits to \$33.6m or \$1.69 a \$2.90 a share in 1980, compared firm at the half-year point with for fiscal 1980, of which 70 per share compared with \$41.3m or cent will be for plant modern- \$2.10 a share for the same

#### J. P. Stevens earnings slump BY OUR FINANCIAL STAFF PROFIT MARGINS tightened indicate that trading has turned In June and July, the com-

sharply in the third quarter at difficult in the third quarter for pany temporarily closed down J. P. Stevens, the diversified tex- Stevens, which earns more than four synthetic fibre mills to tile group. Although sales edged slumped by 45 per cent to \$6.7m came last year from the rapidly 4 holiday. or 47 cents a share.

The nine-month profit total shows a drop of 15 per cent to \$27.4m or \$1.93 a share. This will increase the gloom which followed predictions on Wall with \$3.36 a share last time. The results now announced parable period last year.

growing commercial printing For the longer term, Stevens

Despite a general tightening of margins due to reduced cona 4 per cent gain on the com-

per cent of profits from keep stocks in check. A large forward from \$448.2m to \$460.8m clothing fabrics and home fur-number of other plants were for the quarter, net earnings nishings. A further 12 per cent also closed for an extended July

is expected to benefit from imisation in the textile division. period of 1979.

#### Rexnord setback

This announcement appears as a matter of record only



#### **European Coal and Steel Community** ("ECSC")

U.S. \$25,000,000 Notes 1987

Daiwa Securities Co. Ltd.

Bank of Tokyo International Limited

LTCB International Limited

The National Commercial Bank (Saudi Arabia)

Kuwait Foreign Trading Contracting & Investment Co. (S.A.K.)

Kyowa Finance (Hong Kong) Limited

**DBS-Daiwa Securities International Limited** 

August, 1980

U.S. \$25,000,000

#### Bergen Bank A/S

Floating Rate Capital Notes Due 1989

In accordance with the provisions of the Notes, notice is hereby given that for the three month Interest Period from 29th August, 1980 to 28th November, 1980, the Notes will carry an Interest Rate of 121% per annum. The relevant Interest Payment Date will be 28th November, 1980 and the Coupon Amount per U.S.\$1,000 will be U.S.\$30.97

Credit Suisse First Boston Limited

U.S. \$100,000,000



#### Manufacturers Hanover **Overseas Capital Corporation**

Guaranteed Floating Rate Notes due 1994

In accordance with the provisions of the Notes, notice is hereby given that for the Interest Period from 29th August, 1980 to 28th November, 1980, the Notes will carry an Interest Rate of  $12\frac{1}{8}\%$  per annum. The relevant Interest Payment Date will be 28th November, 1980 and the Coupon Amount per U.S.\$1,000 will be

> Credit Suisse First Boston Limited Agent Bank

SWISS FRANC
STRAIGHTS
Argentinas 52, 89 ...

Bergen, City of 43, 91 40 912, 913, -07, -17, 5.81
Bargen, City of 43, 91 40 912, 913, -07, -17, 5.81
Bargen, City of 6 90 ...

BARY Overseas 42, 51 100 922, 923, -03, -04, 5.39
Caissa Nat. Tale. 43, 89 100 932, 933, 0 -07, 5.28
Copenhagen 42, 91 ...

Council of Eur. 5 89 ...

Danmark 54, 90 ...

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Nordic Bank 5 89 45 94
Nordic Bank 5 89 45 94
Norges Komm. 4½ 91 100 87½
OKB 4½ 91 100 86½
OKB 8 90 100 100½
Oslo, City of 4½ 91 100 100½
Sekisui Pre. Hms. 8 90 80 103½
Shiroku El. Perr. 4½ 89 100 92½
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Average price changes... On day Change of Change OTHER STRAIGHTS lasted Bid Offer day week Yield Bell Canada 10% 86 CS 50 92% 92% 0 -0% 12.67 CIBC 13% 85 CS 50 1100 100% -0% -1% 13.37 CIBC 11% 85 CS 60 191 94% 94% -1% -1% 13.07 Federal Dev. 11% 90 CS 60 191 91% -0% -0% 13.09 Fst. Can. Inv. 10 84 CS 50 191% 91% -0% -0% 12.88 GMAC 12 85 CS 50 497% 98 0 0 12.62

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ABIT France 11 84 FFT ... 120
CECA 144, 85 FFT ... 150
Finland 11 84 FFT ... 150
Finland 11 84 FFT ... 70
Gaz de France 11 84 FFT 150
BM France 117 84 FFT 120
Renault 94, 85 FFT ... 100
Solvay et Cae 94, 87 FFT 125
Utd. Mex Sts. 14 85 FFT 125
Beneficial Fin. 144, 90 £ 20
Citicorp O/S 132, 90 £ 50
SIB 112, 91 £ ... 25
Fin. for Ind. 142, 89 £ 30
Fin. for Ind. 142, 88 £ 20
Gen. Elec. Co. 122, 89 £ 50
Fin. for Ind. 144, 88 £ 20
Gen. Elec. Co. 122, 89 £ 50
Peugeot SA 14 90 £ ... 23
Swed. Ex. Cr. 154, 85 £ 20
Benobras 84, 90 KD ... 7
CCCE 83, 91 KD ... 10
Sonstrach 83 Euxfr ... 500
Eurstom 8 87 Luxfr ... 500
Eurstom 94, 88 Luxfr ... 500
EUSTOM 88 Luxfr ... 500
FLOATING RATE FLOATING RATE

Average price changes... On day 0 on week = 0% CONVERTIBLE Cnw. Cnw. data price Bid Offer day 6 and 6

\* No information available—pravious day's price. \*No information available—previous days pince.

† Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price a week earlier. Change on west.—Carings or pro-feeding Rate Notes: Denominated in dollars unless other-wise indicated. Coupon shown is minimum. C.dte—Date next coupon becomes affective. Spread—Margin above six-month offered rate (# three-month: § above mean rate) for U.S. dollars. C.cpn—The current coupon.

rate) for U.S. dollars. C.cpn=The current coupen. C.yld=The current yield.
Convertible Bonds: Denominated in dollars unless otherwise indicated. Chg. day=Change on day. Cnv. date = First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Pram=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

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Banco Nacional de Ahorro y Préstamo

US\$100,000,000

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June 1980

August 6, 1980 This announcement appears as a matter of record only



INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, WASHINGTON, D.C.

DM 200,000,000 long term loan at a fixed rate of interest

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JOINT COMPANY ANNOUNCEMENT



#### Johannesburg Consolidated Investment Company, Limited

#### Rustenburg Platinum **Holdings Limited**

(Both incorporated in the Republic of South Africa)

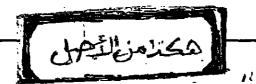
Sir Albert Robinson, Chairman of Johannesburg Consolidated Investment Company, Limited and Rustenburg Platinum Holdings Limited, has expressed the wish to retire as Chairman of these companies on the 31st December 1980. These Boards have accepted

Sir Albert has agreed to remain a Director of Johannesburg Consolidated Investment

Mr. G. H. Waddell, who is Deputy Chairman of Johannesburg Consolidated Investment Company, Limited and Rustenburg Platinum Holdings Limited, has accepted an invitation from these Boards to succeed Sir Albert as Chairman on the 1st January 1981. He will also succeed Sir Albert as Chairman of Consolidated Metallurgical Industries Limited.

Sir Albert, who is a Director of Anglo American Corporation of S.A. Limited, has accepted an invitation to resume his seat on the executive committee of that company from 1st January 1981. He will continue as Chairman of Australian Anglo American Limited, and as a member of the Board of Anglo American Zimbabwe Limited and its associated companies.

Johannesburg. 27th August 1980.



AIR PORTUGAL

# The long haul route to recovery

can have experienced such re-existence with the bold plans of sion in air travel which fol-Government intervention in cent mixed fortunes as Air yesterday largely relegated. The lowed. But in Air Portugal's Portugal's affairs on ward to a bright future. Today and the company as a whole gal's own political and economic of the airline after last month's supply. its financial plight is shaking the finds itself in a straightjacket of upheavals after the revolution strike meant that Air Portugal confidence of a Government intervention.

of 1974

was facing bankruptcy.

paring confidence of a Government Government intervention.

heading towards an autumn
Last month the Govern
general election.

took over direct response

It was last summer that TAP (Transportes Aereos Portugueses) changed its name, and its colours, to Air Portugal. The airline's aircraft were spruced up with bold new colours, cabin and ground staff were presented with new uniforms and the word punctuality was firmly locked into the official vocabulary.

The facelift was planned alongside a financial recovery scheme aimed at putting the airline into the black by 1985. At the same time Air Portugal's

After years of being sub-merged in virtual obscurity, Air Portugal seemed poised to take its place in the highly competi-Yet today Air Portugal finds performance has its roots in the Sr. Jose Viana Baptista, itself in the most critical finan-oil crisis of 1973, the hike in Portugal's Minister of Trans-

Dull start

to year by

MANNESMANN, the West

German steel and engineering group, which is deeply embroiled in an argument with the trades unions over

worker co-determination, has

also had little joy on the business front in the first six

mouths of the year.
Turnover in the first half

six months.

Portugal, Portugal's State-owned financial recovery scheme is be- case the impact of all this was grounds of "exceptional cirnational airline. Last summer ing reassessed, the expansion more dramatic as the world cumstances." According to Sr. the company was looking for programme has been shelved, recession coincided with Portu- Baptista, the accumulated losses

> Last month the Government took over direct responsibility for the airline, declaring it a npany in "economic difficul-Under Portuguese law this gives the Government, through the intermediary role of management, exceptional powers such as a freeze on salaries and an increase in working hours without compen-

culties stem most directly from last month's crippling three week pilots' strike. This cost management committed itself to the company an estimated an ambitious expansion programme and initiated negotiations for the purchase of 16 wide-body aircraft to bolster its international fleet.

After years of being subthe company an estimated Es 1.4bn (\$28m) in lost re-venue at a time when losses with a deficit of Es 2.3bn for 1979 as a whole,

Air Portugal's current diffi-

In common with other world tive field of international travel, airlines, Air Portugal's poor

FEW PORTUGUESE companies cial situation of its 36 years of the price of fuel and the reces-

In 1974 one of the airline's most profitable sources of revenue, travel to and from Portugal's African colonies. accounted for 45 per cent of Air Portugal's total traffic. But with decolonisation in 1976 the African link was practically severed, leaving the company ill-equipped to diversify into new markets. On the domestic front the first years of revolutionary turmoil and nationalisation brought along wage increases, an inflated labour force and increasingly poor industrial relations.

Successive governments, meanwhile, refused to take the politically dangerous step of raising domestic travel prices, were not helped by political inmanagement terference in management affairs, which was reflected in seven board changes over the

However, it appears that the Government has now backed away from its earlier threat to close down the company: to lay lay off 10,000 workers in one of the few Portuguese companies boasting an international image would have almost certainly cost the ruling coalition party votes in October's general election. According to Sr. Baptista the

Government is preparing a new financial recovery scheme which should allow the airline to be back on its feet" by the end of the year. In view of the losses incurred as a result of the pilots' strike projections for raising domestic travel prices, to meet the increased costs of fuel. The company's troubles principles of the new scheme will be similar to the original in that the Government will accept financial responsibility for the

equal the 20 per cent improve-

ment forecast at the general

for the sale of AGA's radiator business to Stelrad, a subsidiary

port has justified the latest Portugal's short-term debt into Government intervention in Air long-term debt: it was recently revealed that the Airline owed Petrogal, the national oil company, some Es 5bn, the equivalent to about 18 months fuel

> The Government is also pre-paring a major reassessment of Air Portugal's present markets. Sr. Baptista expects to rationalise the company's transatlantic operation. And major changes are also expected on the domestic front. The price of mainland domestic flights will probably be increased.

The labour pool created by these changes is expected to be asborbed by new routes, taking in the Gulf, Latin America and parts of Africa.

Clearly, though, the Govern-ment will need to look beyond immediate interests if a more lasting remedy for Air Portugal is to

With the latest Government intervention Sr. Baptista is hoping to put Air Portugal's ing and avoid future demands for State aid. The one message succeeding six years.

As a first step the banking Government of State is not Sr. Jose Viana Baptista, system is to be told to facilitate home is that the State is not Portugal's Minister of Trans- the conversion of Air there to back losers. Government has tried to drive

SKr 1.18bn during the half-year

and gave an operating profit of

SKr 179m, ahead by SKr 46m.

per cent growth in turnover to SKr 447m. But the management

expects operating profits for the

# Electrolux lifts first-half earnings BY WESTERLY CHRISTNER IN STOCKHOLM DESPITE the May labour con- whole is expected to remain (\$38.7m) in the first half of same time, it will seek a listing flict in Sweden, Electrolux, the valid. Last year Electrolux 1980 and expects to reach for Pharos. household appliances group, in- earned SKr 915m before tax. SKr 350m-375m overall, writes Sales by AGA's gas division creased its pre-tax result by 14 Financial charges during the William Dullforce. This would climbed by 17 per cent to

depreciation for the six months of Metal Box of the UK.

W. German DESPITE the May labour conflict in Sweden, Electrolux, the household appliances group, increased its pre-tax result by 14 per cent to SKr 501m (\$120m) for the first half of 1980.

Consolidated sales amounted to SKr 8.14bn, a rise of 20.6 per cent Excluding acquisitions the most important engineer By Kevin Done in Frankfurt

per cent. Excluding acquisitions, the most important tions, the increase amounted to 12 per cent. Sales abroad accounted for 76.5 per cent of Gränges, the Swedish metals accounted for 76.5 per cent of Grönges, the Swedish metals and engineering group.

Group operating profit after depreciation for the six months

During the second half it is totalled SKr 768m, a 31 per cent expected that earnings will in- increase. expected that earnings will increase at a slower pace as a property, plant and equipment
result of weakened demand, during the period rose by
particularly for household products in the EEC and the U.S. 

AGA, the industrial gas and However, the forecast made in heat engineering group, has re-May of 10 per cent growth in ported a 35 per cent increase

1980 moved ahead only slowly by 3 per cent to DM 3.58bn and the group achieved no improvement of last year's profit level in the pre-tax profits for 1980 as a in pre-tax profit to SKr 162m It takes some comfort, how-ever, from the fact that its machinery building and process plant divisions have not

yet been hit by the slow-down in the West German market and the gathering recession Mannesmann's pipe manufacturing operations managed to enlarge its order books, but the new work is still

being taken at too-low a price to make any impact on group profitability. Mannesmann said yesterday in an interim report to sharebolders that the main impetus for increased sales

this year has come from the domestic market. Both direct exports and exports to Mannesmann foreign sub-sidiaries had fallen in the first six months.

Steel pipe production —
Mannesmann is hoping to
gain the chief contract for

the manufacture of the USSR's next major natural gas pipeline to Western Europe—fell by no less than 17 per cent in West Germany, because of high stock levels of large diameter pipes. Its foreign-based pipe production increased substantially, how-ever, by 21 per cent.

F) 24.7m.

#### Manufrance ultimatum to Government

By David White in Paris

THE BOARD of Manufrance, the ailing retail and manufacturing group, has issued an ultimatum to the Govern-ment warning that the company will have to file for bankruptcy if promised state funds are not forthcoming by

September 8.
After a meeting in Paris,
Manufrance directors said
that the inter-ministerial
committee which would
channel the FFr 150m (\$36m) aid offered by the Government had reacted favourably to the latest version of their recovery pro-

But they were insistent that they would not make new alterations to the plan and, above all, would not envisage

extra redundancies.
It was over the number of redundancies that the discussions with the state earlier broke down. The recovery plan, which splits up the retail and production branches and drops almost the whole of Manufrance's network of shops, involves shedding about 400 jobs. Unions and the Communist-dominated local government of Saint-Etienne have made clear they will not

stand for additional cuts. The Government's offer was made on condition that a new management team was set up, that shareholders put up more funds and that a realistic recovery programme was presented.

Manufrance's main shareholder, the Macif insurance group, has withdrawn both from the board and from further financial participa-tion in the rescue bld, stating that it does not intend to carry responsibility.

responding to 40 per cent of is expected to double operating the capital in Pharos. At the income to SKr 38m this year. Government commissioner **Dutch** insurance group

increases net profit BY OUR FINANCIAL STAFF

surance group in the Nether- revenue. lands, reports a 14 per cent rise 
Shipping in net profits to Fl 54.4m Ommeren, has more than (\$27.7m) for the first half of doubled net profits for the first 1980 and reaffirms its forecast half of 1980 and plans to pay of growth of more than a tenth a higher interim dividend. for the year as a whole.

Total income has moved up gains, net profits rose to Fl 1.4bn from Fl 1.2lbn, and Fl 48.9m (\$24.9m) from the company is maintaining and Fl 18.4m, lifting earnings at the the company is maintaining an the company is maintaining an per share level to Fl 4.71 from interim dividend of Fl 2.40 a Fl 1.96 in the opening half of share on increased capital. Net 1979, profits in 1979 totalled Th. FI 115.1m.

that the company has experi-enced slacker trading conditions in the second quarter. After FI 74.2m from FI 37.8m and the opening three months of extraordinary gains of FI 13.3m

AMEV, the second largest in- around 60 per cent of total

Helped by extraordinary

rofits in 1979 totalled The interim dividend is effec-1 115.1m. tively going up from FI 0.60 a The half year results suggest share to FI 1 on increased

1980, net earnings were running compared with losses in 1979 some 19 per cent ahead at of Fl 1.6m.

1 24.7m. The company explained yes. Amev is largely a life com- terday that the upturn in profits pany with premium income from reflected continued favourable life assurance representing conditions on dry cargo runs.

expected for Indesit

First-half group sales ad Frigoscandia, the refrigerated vanced by 19 per cent to transport division, showed an SKr 2.16bn (\$513m) after the operating profit down by adjustment of the 1979 figures SKr 12m to SKr 8m despite a 15

During the first six months year as a whole to come close AGA's smaller industrial operations were grouped into a In the heat engineering diviseparate legal unit named sion, sales advanced by 19 per

Pharos. The board now pro- cent to SKr 293m and the poses to make a rights issue to operating profit to SKr 16m shareholders in the autumn corfrom SKr 10m. The division

BY RUPERT CORNWELL IN ROME

A GOVERNMENT-appointed domestic appliances group, Italy's second largest in the

outcome of a board meeting of the company being held yesterday to decide on its future. Indesit has debts of around L150bn (£73m) to subcontractors and suppliers.

The plight of Indesit, and the threat to the jobs of its 12,000 workforce at plants

commissioner is expected to be sent in to run the financially troubled Indesit sector after Zanussi. This seemed the most likely

Further elements in the

salvage are likely to be a write-down of the group's L20bn capital, and the effective withdrawal of Sig Armando Campioni, Indesit's founder and largest single shareholder with 60 per cent of its equity.

north and Caserta near Naples in the south, has been one of the most acute industrial problems facing the Government.

The urgency of the situation stems from the bankruptcy proceedings brought by three unpaid suppliers, due to be held in four weeks time. The appointment of a commissioner is seen as the only practicable means of preventing the winding up order which would normally be the consequence of the bankruptcy suit. The Indesit threat has been

particularly keenly felt in Turin, which in any case faces a rough autumn if the widespread predictions of a slump in the car market and consequent layoffs at Fiat, the city's largest employer, are borne out.

All of these securities having been sold, this advertisement appears as a matter of record only.

\$100,000,000

# First International Bancshares, Inc.

73/4 % Convertible Subordinated Debentures due 2005

The Debentures are convertible at the option of the holder thereof, unless previously redeemed, into Common Stock of First International at \$51.50 per share of Common Stock, subject to adjustment under certain circumstances.

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The First Boston Corporation

Merrill Lynch White Weld Capital Markets Group
Merrill Lynch, Pierce, Feaner & Smith Incorporated

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Wertheim & Co., Inc. Rauscher Pierce Refsnes, Inc.

Salomon Brothers

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#### **APPOINTMENTS**

SIME DARBY

# Earnings outpace plantation gains

BY WONG SULONG IN KUALA LUMPUR

SIME DARBY BERHAD, Malay- tions from plantations dropped sidiaries—Consolidated Planta- while the price fell 12 per cent sia's biggest company, raised its to 54.4 per cent of overall tions at pre-tax profit by 22 per cent to group profits before tax, from 82.66m ringgit (U.S.\$ 125m) in 61 per cent in 1979, while earnthe year to June 30, on turnover ings from tractors rose to 30 increased by 28 per cent to per cent from 27 per cent, and 2.32bn ringgit (U.S.\$1.1bn). the Asean and Pacific Rasin to Profit after tax was 165.6m ringgit, up 28 per cent.

Sime's plantation division has made a relatively small contribution to the group profits, as a result of poorer commodity

However, this slowdown in the plantation sector was offset by the buoyant performance in its tractors division, and its Asean and Pacific Basin div-

Earnings from plantations grew by 8.6 per cent to 145m ringgit, while those of the tractors division rose by 34 per cent to 80m ringgit, and the Asean and Pacific Basin division's by 226 per cent to 19.6m ringgit, out of which 6m ringgit came from the sale of the Delta House building in Singapore.

No payment

until 1985.

Trust Bank

By Our Johannesburg

TRUST BANK, South Africa's

fifth largest bank, warns that although profits are rising

that the bank will not pay a dividend until 1985.

During the year to June 30,

Trust Bank increased its net

profit (after tax and transfers

to contingency resrves) by 282 per cent to R12.25m (\$15.5m)

from R3.21m. The increase is

attributed to an improved

national economic climate, suit-

able financing arrangements

and benefits from the almost

complete restructuring of the

However, though the South

African property market has

improved over the past year.

management cautions that the

bank's property involvement is

of such an extent that it will be

several years before the property portfolio can be decreased to a level where it

will yield an acceptable return.

Until then, the bank's contin-

gency reserve will continue to

be strengthened by maximum

possible transfers from annual

transferred to disclosed reserves

for the company's troubled property investments,

warns

the Asean and Pacific Basin to

7.3 per cent from 3 per cent. A good performance was also shown in the group's Hong labour and fertilisers. After-tax carnings were 3.6 per cent lower, at 63.4m ringgit, reflecting a while the Western division while the Western division large non-recurring surplus from extraordinary items in the distributorship, continued to the heavy equal to t A good performance was also

Sime's palm oil refining operations doubled their volume of output, but margins were squeezed by rising costs. while the group's interests in India (represented by Shaw Wallace) suffered an 8 per cent decline in profits.

A final dividend of 8.5 Malaysian cents is declared, making a total of 13 cents for the year, a 15 per cent increase over 1979

Pre-tax profit of Consolidated Plantations rose by 7.3 per cent to 99m ringgit, on a turnover up 14 per cent to 239m ringgit. with profit margins being eroded by higher costs, particularly

The sale of palm oil and palm kernel rose by about 8 per cent, to 119,000 tonnes and 25,000 tonnes respectively, while prices obtained for both products were 5 per cent better.

grammes, but this was more

tions and Tractors Malaysia to 5.96 ringgit per kilogramme.

Berhad. Consolidated Plantations is paying a final dividend of 11 Malaysian cents, making 18 Electric

utility plans

record HK

rights issue

By Philip Bowring in Hong Kong

HONGKONG Electric Holding

is making the biggest rights

issue that Hong Kong has ever

seen. It proposes to issue one

ordinary share for every four

held, to raise a total of HK\$785m (equivalent to about

underwritten by Jardine Flem-

The loan stock issue was to

For the full year, the group forecasts "that profit will be not less than 30 per cent up on

last year's HK\$274m, and that

the final dividend will be not

The company said that no

conditions of its franchise. How-

are outside the franchise con-

Hutchison Whampoa an

nounced earlier this week that

its rights issue of HK\$600m (U.S.\$121m) 9 per cent un-secured loan stock 1989/93 with warrants at par had been heavily oversubscribed.

The company said subscrip-tion was 171.5 per cent with

acceptances of HK\$561.54m of provisional allotments applications for excess stock of HK\$467.81m. The nominal amount available to

satisfy applications for excess stock is HK\$38.46m. Dealings in the partly paid oan stock and warrants

separately would begin on September 9.

Upsurge in

Arabian Oil

By Yoko Shibata in Tokyo

ARABIAN OIL, Japan's largest oil producing company with oil

concessions in neutral zones between Saudi Arabia and

Kuwait, has reported strong

earnings for the six months to June 30, as a result of higher

oil prices, and despite a decline

During the interim period,

the Kuwait Government exer-

cised in full its rights to buy back crude oil. As a result,

sales volume fell by 30 per cent over a year ago. However with oil prices nearly doubled,

the value of sales reached Y350.6bn (\$1.6bn), up 48.3 per

With the Kuwait Government

exercising its buying back

rights, crude oil has been eliminated from sales costs. As a

result, operating profits jumped

by 115.2 per cent to Y335.87bn.

rise in royalties paid to oil producing countries (linked to the

rise in the official price of crude

oil) net profits rose by only 43 per cent to Y3.42bn. Profits per

share were Y68.36, compared

The company makes no fore-

cast of results for the current

half year because of uncertainties such as the possibility of

another rise in the price, of

crude oil at the OPEC general meeting, and exchange fluctua-

tions. However, a slight cut in

production is to be made

because of slackening demand

• Showa Oil Company, has re

ported an after-tax profit of Y9.07bn (\$40.5m) for its first-

pares with a deficit of Y10,28bn in the same period last year. Sales totalled Y499.96bn

(\$2.2bn), against Y269.62bn.

with Y47.82.

in Japan.

half, to June 30.

However, because of a sharp

profits at

in sales volume.

to the mid-1980s.

trols.

loan stock with warrants.

cents for the year compared with 17.3 cents in 1979. Tractors Malaysia reported a rise of 34 per cent in pre-tax earnings, to nearly 80m ringgit, with turnover rising 44 per cent to 634m ringgit. After-tax

Tractors, with its Caterpillar distributorship, continued to dominate the heavy equipment market in Malaysia and Singapore, and benefited sub-stantially from the buoyant conditions in the construction industry in the two countries.

Rubber sales were down higher dividend, and is made about 4 per cent to 26.7m kilo- a scrip issue on a one-for-two basis, raising the paid-up capital vinegit. The final provide the major portion of finance for a new power station the company is building. But in its statement yesterday the group said that the loan stock together with suppliers credits than offset by a 23 per cent to 96m ringgit. The final increase in price, to 2.34 ringgit dividend will be 37.5 cents, per kilogramme. making 50 cents for the year, Cocoa sales, on the other against 40 cents in 1979. uilding in Singapore. Sime has also released the hand, rose sharply, by 60 per new shares will not rank for In percentage terms, contribu- results of its two major sub- cent to 431,000 kilogrammes, the final dividend. At mid-1980, this exceeded 1:2

# Support for foreign bank entry

BY LAMES FORTH IN SYDNEY

A COMMUTTE appointed by the could have a place in the Austra- siderable market presence in Government to overhaul Australia's financial system has inditime in the future, although national money markets." Few cated that there is widespread views differed significantly on had expressed interest in a support for the entry of foreign the appropriate timing of entry. local retail banking operation.

The interim report of the Committee of Inquiry into the adjust to any new regulatory Australian Financial System, and competitive structure beheaded by Mr. Keith Campbell. strongly present indications are notes that it has been Government policy not to allow foreign interests to operate banks in

The interim report sets out the issues raised in submissions but does not contain any recommendations or draw any conclusions. These will be included in the final report, expected early next year.

The report says it is widely acknowledged that foreign banks

they should have more time to

from foreign banks in the general banking arena. Many of those favouring the early participation of foreign ing financial institutions and banks believe, nevertheless, that the capital markets, the regulait should be on a more restrict tory controls and the role of the tive basis to that of locallybanks." the report

fore having to meet competition

"typically very large, with con- Campbell Inquiry.

lian banking system at some status, particularly in inter-time in the future, although national money markets." Few The Australian banks felt An important concern of the committee was that any foreign bank operation should not compromise the scope for effective economic policy.

The comprehensive 570-page report canvasses issues cover-Reserve Bank, Australia's central bank. The need for a freer and more competitive fin-It said that the foreign banks ancial system, with less Governmost interested in an Austra- ment involvement, is a recurring lian banking operation were theme of submissions to the

#### Sentrachem doubles its income

BY I'M IONES IN IOHANNESBURG

SENTRACHEM, South Africa's pre-tax and distributable profit. second largest chemicals group, the year to June 30 compared has far outstripped the to R38.4m last year. Turnover country's growth in gross

comparable as Sentrachem's that During fiscal 1980, R8.4m was from a profit of R8.41m attributnew acquisition during the able to ordinary shareholders. second half of the fiscal period. In Johannesburg Trust Bank However, the management is shares are currently trading at

Mr. David Marlow, more than doubled pre-tax managing director, said that the Sentrachem's results. Sentra-profit to R77.2m (\$101.91m) in demand for chemical products chem's 40 per cent participation was 82 per cent higher at domestic product. He said that to exceed R430.2m (\$567m), compared to the prospects for South Africa's horrowings. economy were goed for at least The figures are not strictly another year and was confident comparable as Sentrachem's that Sentrachem's R300m

Although the 40 per centowned Coalplex pvc operation (AECI, the country's largest confident that the present year chemicals group, has the other Sentrachem shares are trading will result in more growth in 60 per cent) is operating at 910 cents.

profitably, a positive contribution has yet to be made to was funded through debt, and profits from Coalplex have yet to exceed the cost of the A total dividend of 33 cents

compared to 23 cents has been comparable as Sentrachem's that Sentractures the results incorporated those of expansion programme will share of 66.2 cents as against the fertiliser manufacturer make an important contribution 40.9 cents, reflecting the form to the company's growth. declared from earnings per shares issued to 89.5m from 56.6m after the acquisition of In Johannesburg. Fedmis.

ment appears as a matter of record only.



# Banco Itaú S.A. **US \$65,000,000**

**Resolution 63 Loan** 

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The Commercial Bank of Kuwait S.A.K. The Mercantile Bank of Canada

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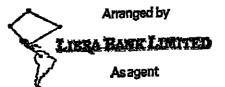
Credito Italiano, New York Branch

International Commercial Bank Limited

Old Stone Bank

**Orion Bank Limited** 

Scandinavian Bank Limited



# Senior changes at Vickers

Mr. L J. Fraser, chairman of Lazard Brothers, becomes a Terry Waine have been deputy chairman of the company, appointed manufacturing director Mr. D. A. S. Plastow, formerly a non-executive director, will be managing director and chief

Mr. H. P. N. Benson, Mr. L. W. Harris, and Mr. T. Neville are appointed additional directors. Mr. Harris will be the commercial director, Mr. Neville, finance director, and Mr. Benson is to be non-executive.

Following the merger with US\$160m). The issue is being Rolls-Royce Motors Holdings, the operating units of both com-panies have been integrated to ing and Wardley. Only last December the company set a new rights issue record when it form five groups, each with a chief executive. These are engineering equipment, Mr. C. N. made an issue of a HK\$635m Davies; motor car, Mr. G. R. Fenn; international, Mr. C. W. Foreman; Howson-Algraphy, Mr. R. O. Taylor; and engineering products and business equip-ment, Mr. W. M. Windsor. Mr. W. C. P. McKie retains has

position as director of contracts and legal adviser and Mr. H. E. Scrope continues as company and bank borrowing related to the project had greatly in-creased the debt to equity ratio. secretary.

Sir Harold Smedley has been appointed to the London Board of the BANK OF NEW ZEALAND. He was a member for the first time and was rising as the investment programme continued. At December, 1979, shareholders' funds were HK\$1.58bn and term-debt from 1946 to 1980.

Mr. George Henderson has been appointed interim managing director of MACKAN GROUP (UK), of Aberdeen, following the resignation of managing director and vice-chairman Mr. Ian Alford. Mr. The company said that it wanted to keep the debt ratio down to "a level more traditionally associated with the group." The rights price of HK\$4.95 compares with a preannouncement market price of Henderson is managing director The rights statement accom-panied Hongkong Electric's of Stoy Horwath.

Mr. Richard T. H. Harrison has been appointed as a sales announcement of its results for the six months ending June. director to the Board of OSCAR Profit after tax rose 38 per cent to HK\$105.9m (US\$21.4m) on FRIEDHEIM.

turnover up 59 per cent to HK\$617m (US\$125m). Earnings per share rose 38 per cent to 22.9 cents. The interim dividend Mr. Paul B. Littler has been appointed managing director of CCM MARKETING, of Kettering, and retains his responsibility for is being raised from 9 cents to marketing.

> Mr. Russell Gore-Andrews has been appointed managing direc-tor of the MORE OFERRALL

Mr. Colin H. Black, an executive director of Globe Investment less than 16 cepts, against 14 cents, on capital increased by the rights issue. Trust, has been appointed a director and joint deputy chair-man of TYNDALL INVESTfurther calls on shareholders MENT SERVICES.

were expected in connection with the power station project, for which contracts at fixed chairman of the BRITISH
DISPOSABLE PRODUCTS
ASSOCIATION, succeeding Mr. prices had been concluded. The project, which had been speeded up in order to quicken Hong Kong's shift from oil to coal-fired generation, would Reith Walker. Newly-elected vice-chairman is Mr. Geoffrey meet electricity requirements

Mr. Ian Welsh has been appointed a director and general manager of HAROLD F. WARD, HK Electric's profits from electricity are limited by the member of the Deritend Group.

ever, the controls, based on Mr. W. Bowver has been return on fixed assets not on shareholder funds, are currently set at 15 per cent. The group director—Africa; and Mr. J. C. return on fixed assets not on good retailing activities which and Caribbean, on the board of

VICKERS has made the following management of the CROWN Board appointments from Sep. AGENTS from September 1.

Mr. Jim Anderson and Mr. and commercial director, respectively, of MASSON SCOTT THRISSELL ENGINEERING, a member company of Molins.

Mr. Geoffrey Johnson Smith, Conservative MP for East Grin-stead, has been appointed special consultant to the board of the MALDWYN BOWDEN INTER NATIONAL GROUP, which is based in Brighton based in Brighton.

Roche Plant Group has made the following appointments within its subsidiary ROCHE MECHANICAL HANDLING from September 1: Mr. Colin R. Shattock, managing director, Mr. David K. Jones, director (north) and Mr. Gerard A. Menham and Mr. Gerard A. Mepham, director (south).

NATIONAL WESTMINSTER BANK is to disband its Western Europe regional office from September 1 and that region will be replaced by Northern and Southern Europe regions. Mr. Michael Conolly will be senior international executive. Southern Europe, and Mr. David Ingham. senior international executive, Northern Europe.

Mr. Derek Hornby has been appointed to the board of RANK XEROX LIMITED as director of staff support. He returns to the UK after seven years with the Xerox Corporation in the U.S. Mr. Hornby will be responsible for corporate affairs, legal, personnel and special projects departments.

Mr. Howard Morgan, AMERI-CAN EXPRESS travellers cheque division has been promoted to regional vice president for the UK, Ireland, Holland, Malta and Gibraltar. He was previously senior regional manager for England and Holland.

Mr. G. Robert Durham has of Carpets International.

been elected a vice president of PHELPS DODGE CORPORA-TION, New York, from Sept-ember 1. He will be responsible for the Corporation's investments in companies producing ducts in foreign countries and for overseeing the operation and possible disposition of Pnelps Dodge's 40 per cent interest in Consolidated Aluminium Corporation.

HYDRO - AIR INTER-NATIONAL, Halesowen, a subsi-diary of Moeblenpah Industries Inc., St. Louis, Missouri, has appointed Mr. Barry J. Griffin to the Board, responsible for its operations in Great Britain and

MARTIN THE NEWSAGENT states that Mr. L. Bird will resign as a director and executive of the company on October 1 to pursue outside interests. Mr. Bird will remain a consultant.

Mr. Paul F. Strzelecki has been appointed a director of HENRI-LLOYD, Manchester, manufacturer of waterproof pro-tective clothing for yachting, mountaineering, and industrial

Mr. Peter Woolhouse, formerly sales director, and Mr. Frank Barnett, formerly production director, of Alida Packaging have joined the polythene division of the R. H. MORLEY GROUP.

It was incorrectly stated yesterday that Mr. J. P. Crossley had been appointed chairman and managing director of Carpets International following the decision of Dr. E. K. McIver to leave the company to pursue other interests. Mr. J. P. Crossley, chairman of the group's subsidiary CARPETS INTER-NATIONAL (NORTHERN), has in addition been appointed managing director of that company in succession to Dr. McIver. Mr. J. M. Carpenter is chairman



#### The Republic of Panama U.S. \$70,000,000

Floating Rate Serial Notes due 1990

For the six months 29th August, 1980 to 27th February, 1981

In accordance with the provisions of the Notes, notice is hereby given that the rate of interest has been fixed at 13% per cent. per annum, and that the interest payable on the relevant interest payment date, 27th February, 1981 against Coupon No. 5 will be U.S. \$685.66.

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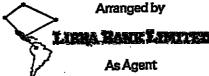
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As Agent

August 1980

Banco Crefisul de Investimento S.A.

Associate of Citibank U.S. \$15,000,000

**Resolution 63 Loan** Libra Bank Limited

Girard Bank International Commercial Bank Limited The National Bank of Australasia Ltd. The Royal Bank of Scotland Limited

Associated Japanese Bank (International) Limited



July 1980

# THE PROPERTY MARKET BY MICHAEL CASSELL

# Trafalgar House presses on

week's best-loved name along which is owned by the group.

property division, and planning permission is now being sought. Perhaps mindful of this

week's events at Hounslow, a Trafalgar House spokesman emphasised that the proposals did not involve the demolition of the Daily Express and Sunday Express buildings with their distinctive "art deco" Fleet Street frontage. Unlike the late lamented Firestone plant, they are listed as being of architectural interest.

The buildings which will make way for the new development are in Shoe Lane oppo-site the International Press Centre and have housed the Evening Standard offices. They are now being emptied and a request for demolition is going

Trafalgar House expects to start work on the new project at the start of 1981 and there will be a two-year building programme. The resulting space, which will represent one of the largest new office schemes in the area for many years, will he available on the open market. Given the property division's emphasis on sales, the scheme could well go on the institutions, although funding for the complex is expected to be found

the Great West Road, is planning a 230.000-sq-ft office complex behind the Fleet Street

at the Great West Road, is planment and the local council were completion, and at Sheffield, on the 115,000 sq. ft. Ashford
ment and the local council were completion, and at Sheffield, on the 115,000 sq. ft. Ashford
ment and the local council were completion, and at Sheffield, on the 115,000 sq. ft. Ashford
ment and the local council were completion, and at Sheffield, on the 115,000 sq. ft. Ashford
ments having are estate. The first phase provides plex behind the Fleet Street considering having it listed, offices of Express Newspapers, may have been underestimated developing the 121,000 sq ft nearly 43,000 sq. ft. of space—which is owned by the group. by Trafalgar House but its Steel City Plaza complex. mainly in the form of nursery action undermines the group's Several other smaller provincial units—all of which has been offices of Express Newspapers, may have been underestimated out by Trafalgar House De- conviction that the usefulness velopments, part of the group's of the site, for which it paid between £15m and £20m, would be severely inhibited if the facade remained.

#### **Prejudices**

Whatever the rights and wrongs of the Firestone case— Trafalgar House, it should be the affair will do little to dispel some of the widely held prejudices directed at the property development industry. On the other hand, does the furore caused by the conservationists in such cases tend to

Trafalgar House plans to develop an industrial park on the 28-acre site, which provided Firestone with just over 1m sq fi of industrial, warehouse and office space. The main factory provided 680,000 sq ft

group's the Meanwhile. programme has rarely looked more active and the strategy remains to provide as broad a spread as possible across the development spectrum. The Shoe Lane scheme will phase in nicely with the completion of Liverpool's central business substantial property develop-the Trafalgar-Whitbread office area, includes a large cleared ment business, with a number

TRAFALGAR HOUSE, not this demolition of the Firestone engaged in other office schemes from week's best-loved name along "art deco" factory, just as the at Birmingham, where 58,000 House schemes are underway.

> gar House Developments is due its normal funding policy, the later this year to complete a group proposes to sell the first 46,000 sq. ft. shopping centre. phase shortly. known as "Drummers Corner," in Peterhead and it is also announced this week that it has working on a 180,000 sq. ft. sold the third phase of its scheme at Swansea. Another Trafalgar House subsidiary. St. Albans to an unnamed Builders Amalgamated, will next year complete a 148,000 sq. ft. retail scheme at St. the short-term of the state of the sq. ft. retail scheme at St. the short-term prospects) at a Helens in Lancashire. figure (undisclosed) equation

Hounslow. Trafalgar In the retail sector, Trafal- £4 a sq. ft, In accordance with

Trafalgar On the industrial front away to an initial 64 per cent yield.

#### NCP buys Exchange

emerged as the outer of the Liverpool Exchange station site, partly demolished Exchange Chambers. one of the most important development locations on Mer- tion of about 600,000 sq ft of

The freehold of the 71-acre site was up for sale by tender on instructions from the British Railways Board and the Progeneral property development perty Services Agency. The deal was arranged by Debenham Tewson & Chinnocks and the private companies in the counpurchase price was around £600.000.

complex at nearby Chiswell area (previously covered by the of commercial developments while the group is station buildings and platforms)

distort the true depth of public feeling about such architectural emerged as the buyer of the former Exchange Hotel and the

Permission exists for the erecoffices and ancillary accommo-dation and NCP said yesterday it envisaged developing the site, possibly in conjunction with an institution to provide office space and car parking

The group, one of the largest try, is—not surprisingly—best known for their car park con-600.000. struction and management
The site, which is located in operation. But it also has a

# Slough Estates in U.S. shops scheme

week announced a useful apparently elready secured. increase in half-yearly profits, is taking its first big step into the U.S. retail development

The group, which has been actively building up its North American operations to support "blue chip" industrial and office portfolio in the UK and elsewhere, has started work on a 140,000 sq. ft. neighbourhood shopping centre at Riverview, a suburb of Chicago.

For Slough, the retail scene is largely new. To date its interest is confined to the Tournai shopping complex in Belgium which was opened in October last year and a small partnership interest in a centre at Washington. Illinois.

The Riverview scheme being carried out along the lines of most of its U.S. opera-tions, via SDK Parks, in which Slough has an 80 per cent interest and Draper and Kramer of Chicago has the remaining 20 per cent.

Mr. Wallace Mackenzie, managing director of Slough, says the Riverview site is close to the centre of Chicago, within five or six miles of the Loop. Work on the centre is already underway and it should be complete and open for business by March next year.

around 50 per cent of the rental

The centre will provide three major store units-all of which have tenants lined up-together with another 12 or 15 smaller units, depending on how the space is finally divided up.

Rents, as is the custom, will be calculated on the percentage system, implying a base figure which can be increased depending on turnover per-formance. Rents for the smeller units will initially be

Draper and Kramer are ex-perienced in the retail field and Mr. Mackenzie says that more shopping developments could be on the way.

Still in Chicago, the first tenants are now moving into the 28-storey, 800,000 sq ft office block in West Monroe Street, in which Slough has a 25 per cent interest. Around 98 per cent of the space has now been let and tenants include names like Arthur Anderson, Standard and Chartered Bank and Merrill Lynch.

Slough's diversion into the hotel business, in the shape of the Midway Motor Lodge at its Elk Grove industrial complex, is fully open and "doing good business." The 530,000 sq ft industrial centre is fully income producing. Elsewhere, new premises are

being added to a number of industrial estates in Canada and Australia and development is The scheme is likely to cost underway at the recently in the region of £4m and acquired Sacre site at Hanover, West Germany.

#### GA in £7m deals

GENERAL ACCIDENT has spent over £7m in acquiring two industrial estates in the

The group is thought to have paid around £6{m for a 140,000 sq ft industrial com-plex at Nine Elms, adjacent to London's Covent Garden market. The space is pre-let to Securicor at a rent of about £440,000 a year and the site, formerly owned by British Rail, was originally intended to provide a railhead for the Market.

GA has also purchased 51,000 sq ft covering nearly five acres on the Bilton industrial estate at Bracknell. A 99 year lease is involved and there are eleven tenants.
The initial yield of 41 per cent is expected to rise to about 71 per cent by 1983.

• Peachey Property Corpora-tion has won planning permission to redevelop a factory at 243 Kangley Bridge Road, London SE 26. adjoining Lower Sydenham station and previously occupied by Columbia Ribbon and Carbon Manufacturing. The scheme will provide 42,500 sq ft of space in four ware-house and five factory units and should be completed in August 1981. Healey and Baker are letting agents.

The Manchester Ship Canal Company has paid around £300,000 for the tormer Dry Dock Company's land and premises on Trafford Wharf Road. Trafford Park. The Ship Canal Company originally owned the land in question and sold it at the start of this century. Now it plans to refurbish some of the existing premises and to build new industrial and warehouse space. The scheme wil be known as the Trafford Wharf estate and one substantial letting has already been agreed. Dunlop Heywood acted for the purchaser while Richard Ellis represented the liquidator of the Dry Dock Company.

• Scottish Equitable Life Assurance has purchased the freehold interest in 129/131 High Road, Wood Green, adjacent to the new Shopping City complex. The property is let to Wallspan Bedrooms at an annual rent of £27,500 and Scottish Equitable paid about £500.000 for the free-hold. Courad Ritblat acted for the vendors and Savills acted for Scottish Equitable.

Tesco wants to build a 100,000 sq ft superstore on the site of the Cardrome at Hornchurch. The plan would also include parking for 950 cars, a petrol station and eight squash courts. A glanning application has been submitted for the developers Cenlane and Tesco by Healey and Baker. Tesco already has nine stores with a sales area in excess of 50,000 an ft. in excess of 50,000 sq ft.

• Commercial Union Properties has completed a 20,000 sq ft industrial and warehousing estate at Loudwater, Righ Wycombe. The scheme included the refurbishmen of a Grade II listed mill house, which together with 60,000 sq ft of warehouse space has been let to Sambron (UK). Development was undertaken by CUP in conjunction with Queensgate Developments.



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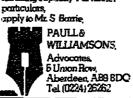
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FULHAM. Corner size at iunction of malor roads adjacent to prime thopping area. Flancing permission for approx. 5,000 so. it. offices. £110,000 freehold. Tel: 01-935 2785.

# **RASE INDUSTRIAL**

#### EARL STREET EC2

2nd floor light industrial accommodation 2,835 sq.ft. To Let

#### CHARLTON SE7

Modern factory 11,000 sq.ft. For Sale Freehold or To Let

#### **UPPER TULSE HILL SW2**

New single storey factory 10,700 sq.ft. To Let

#### GREENFORD, MIDDLESEX

Single storey warehouse under construction 15,500 sq.ft. To Let

#### ERITH, KENT

Single storey factory and warehouse on site 2.25 acres Freehold For Sale

MATTHEWS GOODMAN & STREETHWAITE 01-248,3200 72 UPPER THAMES ST LONDON ECAR SUA

District of Woodspring

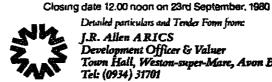
# Bourton

Bristol

Approximately 9,280 sq.ft. Prestige office accommodation in a rural location at Flax Bourton on the outskirts

An imposing Victorian property set in 3.25 acres of landscaped grounds with ample parking space. Planning permission for use as Offices, Educational Establishment, Hotel, Nursing

Home, Elderly Persons Home. FOR SALE BY TENDER



Detailed particulars and Tender Form from: J.R. Allen ARICS Development Officer & Valuer Town Hall, Weston-super-Mare, Avon BS23 1UJ Tel: (0934) 31701

FOR SALE BY TENDER ON 10th OCTOBER 1980 LEE VALLEY

**CARAVAN PARK (TOURING)** 

LEE VALLEY REGIONAL PARK, LONDON, E4 Planning permission and licence for 242 touring caravan or tents, 3 Toilet Blocks, Shop, Office, Laundrette. Site area 121 Acres

Superbly located for London and Countryside

Charles F. Jones & Son 17 Gate Street, Lincoln's Inn Fields. London WC2A 3HT Tel: 01-242 7823 - Telex: 268807

#### Commercial Premises To Let -Lyons, France

An English company has modern commercial premises and office accommodation available on rental near Lyons, France, comprising approximately 500 square motres storage area with telephone and telex facilities.

> Written enquiries please to: HOTWORK INTERNATIONAL LIMITED, Low Road, Earlsheaton, Dewsbury, West Yorkshire, WF12 8BY.

> > مكامن المعلى

# (K) for Industry

#### **DUNSTABLE**

6.500/10.000/15,000 sq. ft. New Factory/Warehouse Units

#### Factory Immediate occupation TO LET

GUILDFORD

LONDON, E8

#### Substantial factory premises 55,000 sq. ft. TO LET

LONDON, N7 Modern factory with yard 33.280 sq. ft.

#### Mainly single storey LONG LEASE FOR SALE TOTTENHAM, N17

18/36,000 sg. fc. TO LET ON SHORT LEASE

#### TOTTON. SOUTHAMPTON

16,640 sq. ft. Modern Warehouse LONG LEASE FOR SALE **WEMBLEY PARK** 

#### Superb fully equipped warehouse immediate possession

**WOOD GREEN, N22** New Industrial Units

# Immediate occupation 6,000-30,000 sq. fc.

42,000 sq. fc.

King&Co Chartered Surveyors 1 Snow Hill, London, EC1 01-236 3000 Telex 885485 Birmingham - Leads - Manchester - Brussels

#### SOUTH WEST HERTFORDSHIRE GADDESDEN PLACE

Magnificent COUNTRY HOUSE

Headquarters Office Building

TO BE LET

Following conversion to individual requirements set in rolling parkland

All enquiries to Box T-5327, Financial Times, 10 Cannon Street, ECAP 4BY

# STOCK EXCHANGE TOWER

**E.C.2** ENTIRE FLOOR

so 8,473 FT Sole Agents **J.TREVOR** 

85 London Wall

London EC2M 7AD Tel: 01-628 0735

and thems C. DATY

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57 MID

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HOUSE

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#### BUSINESSES FOR SALE

#### FOR SALE

OLD ESTABLISHED

#### Agricultural Engineering and Implements manufacturing business

Situated in the West Midlands

Part of a larger Group of Companies, with its own named end products and good reputation

Principals only please

Reply in first instance to Box G6460 Financial Times, 10 Cannon Street, EC4P 4BY

#### FOR SALE

COMPREHENSIVE BRITISH COMMERCIAL VEHICLE DISTRIBUTORSHIP

Modern Premises, Extra Land Available High T.I.V. Area

Write Box G.6462, Financial Times 10 Cannon Street, EC4P 4BY

#### **ELECTRONICS BUSINESS**

Controlling Interest eveltable in successful East Anglien based company involved in the manufacture and distribution of a wide range of electronic products and services, principally in environmental monitoring and control of egricultural and industrial premises, in addition to the main business, the company also has a number of joint variures and long-term contracts with major companies on certain products and

Principals only should write for full details to Box G.6469, Financial Times, 10 Cannon Street, EC4P 4BY.

#### WEST MIDLANDS COMPANY engaged in Heating and estrial Pipework Installat

and Maintenance.
Turnover E<sub>2</sub>m.
Available for sale at £250,000, Apply to: H. L. BARNES & SONS

#### VERY PROFITABLE Foil Blocking

0

£3

\* 7

54. KT

SOUTHING

F 44.

医圆头 海路

Company based in East Anglia with well-situated, fully equipped, modern, 10 Cannon Street, EC4P 4BY.

#### FOR SALE long established **Butchers/Mini**

Supermarket Lucrative business, company, frae-hold property, North West London. Write Box G-5543, Financial Times, 10 Cannon Street, EC4P 4BY.

#### FINANCE COMPANY AVAILABLE £2,000,000 BALANCES

OPEN TO OFFERS Apply for lurther details x G.6474, Financial Time 10 Cannon Street, EC4P 4BY

Oid-established unprofitable SPECIALIST . PRINTING BUSINESS FOR SALE

Turnover £1m. Midlends. Write Box G.6477, Financial Times, 10 Cannon Street, EC4P 4BY.

#### WEST MIDLANDS

engaged in Heating and Industrial Pipework Installation and Maintenance.
Turnover Elem Available for sale at £250,000. Apply to: H. L. BARNES & SONS Chartered Accountants
22 Dueen's Road, Coventry

COMPANY

CHANNEL ICLANDS JERSEY, ST. HELTER BUSINESS FOR SALE Unique apportunity to purchase company with treehold building aerox. 2,000 or, ft. or prime sostition. Comprising ground floor shop with offices above. Planting permission to develop second floor into 2-bed, luxury stable. Motor Parts, floor stable stable should be sometiment of the society of the stable should be sometiment of the society of the stable should be sometiment. The stable should be sometiment of the society o

ABTA

TRAVEL AGENCY

**FOR SALE** 

Situated in a prime location in a principal Scottish city, an agency with a turnover of £500,000 including a small spetialised tour operation. We hold all domestic licences. Premises are leased until December 1950 with a rant raview due in December 1953, it is an agency with excellent potential for further expansion, fully fixted with Prestal, Telex, etc.

Serious enquiries from principals only please.

Write Box G.6483, Financial Times, 10 Cannon Street, EC4P 4BY.

GROUP OF GARAGES

FOR SALE IN

SOUTH WALES

Tumover to 31/3/80 £12,000,000,
Net profit to 31/3/80 £300,000,
Petrol sales 8,000,000 getlons,
Car sales 2,500 units,
Open to offers,
Write Box G.6473, Financial Times,

**LUXTON & LOWE** 

Specialist Agents in the SALE & PURCHASE OF

HOTELS/CATERING & MURSING

Urgently require sound businesses

Surrey - 01-949 5451 - PRX

SAYOURY PASTRY

**MANUFACTURERS** 

SOUTHERN ENGLAND

Modern purpose-built Factory, excellent range of expensive equipment. Turn-ever £4m. Substantial Profits. Enormous expansion potential, Retire-

Price £550,000 Freehold

Lesse considered
Write Box G.6471. Financial Times,
10. Carron Street. EL4P 48Y.

FOR SALE

THE NINETEEN-EIGHTY

TRUST LIMITED

Newly-registered, guaranteed not to have traded. Objects: Finance, investment etc. Offers invited.

Ring: 0222 390003

FOR SALE

PLANT HIRE CO.

(POWERED CRADLES)

Very Well established.

Raply Box G.6490 Financial Times, 10 Cannon Street, EC4P 4BY, Principals only.

of all types to mee Business (

#### Old established business with sizeable share of pigment market (organic and inorganic) for printing ink and paint manufacture.

**Pigment Manufacturing** 

and Marketing

**Business for Sale** 

- Production located in three factories, two in London, one in Stockport, Cheshire. Site areas total approx. 14 acres. Head Office in East London. 1979 sales output 3,500 tonnes.
- Current staff and workforce total 257, including management, sales, production and technical departments.
- 1979 sales turnover approx. £10 million of which one third was export.

For further information please contact:-Mr. I. McIsaac, FCA., Touche Ross and Co. PO Box 137, Hill House, 1 Little New Street, London EC4A 3TR.

Telex 261064. Telephone: 01-353 8011.

#### REPUBLIC OF IRELAND

Amazing opportunity to acquire successful modern FURNITURE FACTORY. (Directors retiring), complete with vary good manager's house, in rural town (near Dublin) at today's market value of the buildings, modern lean and machinery (no extras no accumbrences). Currently valued at 5500,000/\$200,000. No agents. We have been informed an industrial Grant will be made available to any new person or company who purchases the property/machinery with a view either to run the present business or to incorporate a new business.

Full particulars write Box 6.5488. Financial Times.

10 Cannon Street, ECAP 48Y.

#### PLANT HIRE CONTRACTORS

Substantial company established nearly 20 years in Thames Valley. Good continuing growth. CONTINUING GROWTH. MODERN DEPOT Secure yard, workshops and office with full planning permission. COMPREHENSIVE RANGE OF PLANT, EQUIPMENT AND

STORES. For Sale Price £500,000. Write please Box G.6470, Financial Times, 10 Cannon Street, EC4P 4BY.

#### FOR SALE **PRECISION** ENGINEERING CO.

IN N. ENGLAND T/O £1-2m. WELL DIVERSIFIED **WORLDWIDE EXPORTS** 

Additional Working Capital required to realise full potential. Principal only please reply to Box G6481, Financial Times, 10 Cannon Street, EC4P 4BY.

MEATING COMPANY for sale based in Central Kent. Approx. £400.000 turn-over. Modern premises. Established over 40 years. Good team of installation cogineers. Principals only. Write Box G.6448. Financial Times. 10, Camon Street, EC49 487.

#### know-how. Turnover is £180,000 per annum and there are 14 employees. Reason for the sale is that the present owners, a publicly quoted electrical group, with the concentrate their development on the electrical end allied sade. Genuine enquirers should write for more details to Box G.5452, Financial Times, 10, Cannon Street, EC4P 4BY.

AN ATTRACTIVE

BUSINESS OPPORTUNITY

ON THE YORKSHIRE COAST

A long-established company in the Plumbing, Heating and Ventilating industry is for sale.

imitary is for sale. Based on the Yorkshire coast, it offers a sectore. Inseresting living in a pleasant emirponment to its new owner. The Company has a captive market, attractive premises, a good name and well-established systems and technical

#### **WEB OFFSET** PRINTING

Holds contracts for weekly and monthly publications. Turnover approximately

> £2,000,000 per annum. Interested parties should write to Box G6478, Financial Times, 10 Cannon Street, EC4P 4BY.

ADVERTISING CONTRACTORS selling Adverts in diaries, magazines, sports fixtures, etc., with own original freehold works. Long established. Tramendous scope, Shuazed in the Midlands. Reason for sale: retirement. Write Box G.5744, Financial Times, 10, Cannon Street, EC49 48Y.

#### HOTELS AND LICENSED PREMISES

FOR SALE BY PRIVATE BARGAIN A COUNTRY HOUSE HOTEL IN THE GRAND MANNER CULLODEN HOUSE ONE OF SCOTLAND'S PREMIER 4-STAR HOTELS

An elegent classical 18th century property, tastefully converted to the highest specification as a prestige business attracting all-year international, local and business custom, including, with considerable potential for development, Stable Block and Yard, Home Farm Buildings, Farmhouse, Cottage, Waited Gardan, In all approximately 43 acres. Joint Sole Selling Agents:
Robert Barry & Company

45 Church Street Inverness IV1 1DR Tel. (0463) 224343

#### HOTEL

FOR SALE

Are you about to buy a hotel? Have you considered advertising under the Businesses Wanted heading? It works because businessmen read this page. For information regarding space availability, advertising rates and conditions of acceptance: 'phone Diane Steward

#### HUMBER BRIDGE HOTEL Barton-on-Humber At South Interchange of Longest Single Span Suspension Bridge in the World

Established Hotel Business Established Hotel Business
Freehold premises (fitted and
equipped to high standard).
Grounds of 5.25 Acres (2.13ha).
Direct access to M18 and M62.
Outstanding hillside situation with
clear view of Humber Bridge. Planning consent for up to 90-Bedroom
Motel Complex.
Full details from:
DICKINSON, DAVY & MARKHAM
10, Wrawby Street, Brigg
South Humberside DN20 8.7H
(19652) 53666

# WANTED

#### **COMPUTER SOFTWARE** STAFF AGENCY

BUSINESSES

Engineering Consultancy and Technical Staff support Company worldwide sales seek purchase or partnership of Com-puter Software Staff Agency. Please write to Box G.5472, Financial Times, 10 Cannon Street, ECAP 4BY.

SILICONE RUBBER AND PTFE

A successful company with a reputation for high-quality products seeks to expand into the fields of silicone rubber and PTHE engineering: products by full or partial acquisition. Interested companies should write

to Box G.6464, Financial Times, 10 Cannon Street, ECAP 4BY.

# FREIGHT FORWARDING

Wishes to expand by acquisition and development with companies in similar fields. Write Box G.6468, Financial Times. 10 Cannon Street, EC4P 48Y.

#### EXPORT / IMPORT HOUSE

City-based asport company would welcome discussions with principals wishing to sell export/emport business interests.

Please reply in confidence to Chairman. Box G.6479, Financial Times, 10 Cannon Street, EC4P 48Y.

# **ACQUISITIONS**

COMPANY

Offshore investment company seeks acquisitions of companies with substantial
PROPERTY OR FIXED OR LIQUID ASSETS. Straight cash deals preferred with no retained minority hold-

ings, no share for share exchanges and no continuing directorships. Replies in stricts confidence to The Chairman. Box G.6401, Financial Times, 10 Cannon Street, EC4P 4BY.

COMPANY WISHES TO PURCHASE SERVICE OR MANUFACTURING COMPANY with freehold premises in Central to West London. Up to 5,000 sq. ft. offices plus equivalent area for

storage/workshop. Plaasa write or telephone: Peter Williams, Warrens, 34 John Street, London WCIV 2AT. 01-405 1361

# FREIGHT FORWARDING

COMPANIES WANTED Subsidiary of Public Company wishing to expand its freight tonwarding interests would take to acquire companies engaged in surface and/or art treight tonwarding. Pre-tax profits should be in excess of profits should be in excess of £100,000 p.a. Write Box G.8475, Financial Times, 10 Cannon Street, EC4P 4BY.

#### ADHESIVES AND **SEALANTS**

Group of companies wish to acquire controlling interest in a company manufacturing Adhesives, Sealants, Strippers or Surface Coatings. Preferably the company would have sound management and a knowledge of trends in this market. Please reply to:

Box G.6465, Financial Times 10 Cannon Street, EC4P 4BY

#### FREIGHT MANAGEMENT INDUSTRY

A large international company with interests in transportation and allied areas wishes to build up a position in the freight management industry through acquisition. Businesses with pre-tax profits in excess of £250,000 p.a. and active in such sectors as warehousing, surface transport, freight forwarding, brokerage and customs clearance are required. Good management is a prerequisite and the company will bring a flexible approach to negotiations and post-acquisition operations.

Replies In strict confidence to Box G.6467, Financial Times, 10 Cannon Street, EC4P 4BY.

#### PRIVATE COMPANY

With Finance Available for Investment in Small Manufacturing Companies. joint venture or outright purchase considered,

Reply to Box G.6463, Financial Times, 10 Cannon Street, EC4P 48Y.

#### **Public Company**

LOOKING TO ACQUIRE SOUND PROPOSITION Principals only write

Box G.6484, Financial Times, 10 Cannon Street, EC4P 4BY.

July, 1980.

#### **LEGAL NOTICES**

1979 No. 10635 IN THE SUPREME COURT OF VICTORIA Detween NATIONAL WESTMINSTER BANK LIMITED Plaintiff

and
KEITH MacDERMOTT HAMPSHIRE

- Defendant
  To: The Defendant
  TAKE NOTICE that the above-memed
  Plaintif National Westminster Bank
  Limited, has issued an Originating
  Summons No. 10635 of 1979 against
  you clasming:—

  1. A declaration that shared in your
  name in North Broken Hill Holdings
  Limited and Gold Mines of Kelgoorlie (Australia) Limited are charged
  with the payment of all mones
  owing by you;
  2. An account of what is owing by
  you;
- you;
  A declaration that what is certified
  as being owing by you is a charge
  upon the shares;
  Foreclosure or sale of the shares;
  Transfer of the shares together with
- all dividends:
  Payment of all dividends on the shares slicady received by you.
  AND FURTHER TAKE NOTICE that niess you enter or cause to be entered an Appearance to the Originating Summons on or before the 31st day of October, 1980, judgment may be entered against you without further

nutrice against particulars of the Originating Summons may be obtained during normal hours from the undersigned or from the Prothonousry of the Court.

AITKEN, WALKER & STRACHAN,

144 WILLIAM Stratz. Melbourge.

114. Wilfiam Street, Melbourne, Vectorie, Australie, Solicitors for the Plaintiff, by their Agents, Isadore Goldman & Son,

IN THE MATTER OF

KESMAN FASHIONS LIMITED

AND IN THE MATTER OF

THE COMPANIES ACT 1948

CREDITORS' VOLUNTARY WINDING-UP

NOTICE IS HERESY GIVEN. in
pursuance of section 300 of the Companies Act 1948, that a General Meeting
of the above-named Company with be
held at the offices of

JOSOLYNE LAYTON-BENNETT &

CO.,
Ship Canel House,
King Street,
Manchester M2 4NU
on the Second day of October, 1980,
et 3.15 o'clock in the atternoon for the
purpose of having an account laid
before the Members showing the manner in which the winding-up has been
conducted and the property of the
Company disposed of, and of hearing
any explanation that may be given by
the Liquidetors. A Member antitled
to ettend and vote at the above meeting may appoint a proxy or proxics
to attend and vote at the above meeting may appoint a proxy or proxics
to attend and vote instead of him. A
proxy need not be a Member of the
Company.

AND NOTICE IS ALSO HEREBY

AND NOTICE IS ALSO HEREBY AND NOTICE IS ALSO HEREBY
GIVEN, in pursuance of sections 300
and 341 (1) (b) of the said Act, that
a Meeting of the Creditors of the
above-named Company will be held at
the offices of
JOSOLYNE LAYTON-BENNETT &
CO.,
Manchester.

Manchester.

on the said Second day of October,
1980, at 3.30 o'clock in the afternoon
for the purpose of having an account
laid before them, showing the manner
in which the winding-up has been
conducted and the property of the
Company disposed ot, and of hearing
any explanation that may be given by
the Liquidators.

Dated this 18th day of September,
1980,

D. H. SLADE,

D. H. SLADE, R. P. BOOTH, Joint Liquidators.

THE COMPANIES ACTS 1948 TO 1957
SRITARMS (FIREARMS) LIMITED
NOTICE IS HERBY GIVEN that the
Creditors of the above-named Company
are required on or before the 2nd day
of October 1990, to send their names
and addresses and the particulars of
their debts or claims, and the names
and addresses of their Solicitors if
say, to

KEITH DAVID GOODMAN, FCA. of 3/4 Bertinck Street, London WIA 3BA. the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are by their Solicitors, or personally, to come in and prove their said debts or claims at

such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved. K. D. GOODMAN, Liquidator.

GOALELM T/A AUTOQUIP LIMITED GOALELM T/A AUTOOUIP LIMITED
NOTICE IS HEREBY GIVEN pursuant
to Section 233 of the Companies Act,
1948, that a Maeting of the creditors
of the above-named Company will be
held at the offices of
LEONARD CURTIS & CO.,
situated et 3/4 Bentinck Street,
London W1A 3BA,
on Tuesday the 9th day of September,
1980, at 12 o'clock midday for the
purposes provided for in Sections 294
and 295.

purposes provided ... and 295. Dated the 21st day of August, 1980. M. PHILLIPS, Director.

#### **CONTRACTS AND TENDERS**

#### **HELLENIC REPUBLIC** MINISTRY OF NATIONAL EDUCATION

AND RELIGION 3rd Educational Project

SUMMARY OF ANNOUNCEMENT FOR THE PREQUALIFICATION OF BUILDING CONTRACTORS

The Ministry of Nanional Education and Religion, Athens, Greece, during the first half of the year 1981, will invite bids, at various stages, from building contractors from all member countries of the International Benk for Reconstruction and Development (IBRD) and Switzerland for the Construction of thirteen (13) educational institutions under the 3rd Educational Project, in certain cities in Greece, for a total cost of Drs. 2,900,000,000 at prices of the third quarter of 1980. Bidding for each institution will be held separately.

In order to proceed with the prequalification of building contractors, interested parties from all member countries of IBRD and Switzerland, who wish to participate in the biddings, are invited to forward statements of interest by 15th October, 1980. The selection of the Greek contractors and the execution of the works will be made in accordance with the Greek Legislature.

and the execution of the works will be made in accordance with the Greek Legislature.

Further information regarding the menner of preparing the statements of interest and date requested may be obtained from:

(a) the builetin DEVELOPMENT FORUM of IBRD.

(b) the Embassies of the member countries of IBRD and Switzerland in

(a) the Greek Embassies at the corresponding member countries of IBRD, and Switzerland, and (b) the Directorate for the Implementation of Educational Equipment, Ministry of National Education and Religion, 15 Ermou Street, 3rd Floor, Athens, Greece (Tel: 3247-048).

where analysical prequabilication announcements will be available. The Minister,

ATHANASIOS TALIADOUROS

#### **HELLENIC REPUBLIC**

MINISTRY OF NATIONAL EDUCATION AND RELIGION 4th Educational Project

SUMMARY

OF ANNOUNCEMENT

FOR THE PREQUALIFICATION OF BUILDING CONTRACTORS The Ministry of National Education and Retigion, Athens, Greece, during the first half of the year 1981, will invite bide, at various stages, from building contractors from all member countries of the International Benk for Reconstruction and Development (IBRD) and Switzerland for the construction of fifteen (15) educational institutions under the 4th Educational Project, in certain cities in Greece, for a total cost of Drs. 2,900,000,000, at prices of the third querter of 1980. Bidding for each institution will be held separately.

be held separately.

In order to proceed with the prequestification of building contractors, interested parties from all member countries of IBRD and Switzerland, who wish to participate in the biddings, are invited to forward statements of interest by 16th October, 1980. The selection of the Greek contractors and the execution of the works will be made in accordance with the Comb Legislature.

Greek Logislature.

Further information regarding the manner of preparing the statements of interest and data requested may be obtained from:

(a) the bulletin DEVELOPMENT FORUM of IBRD.

(b) the Embassies of the member countries of IBRD and Switzerland in Athens,
(c) the Greek Embessies at the corresponding member countries of IBRD

and Switzerland, and
(d) the Directorate for the Implementation of Educational Equipment,
Ministry of National Education and Religion, 15 Ermou Street, 3rd Floor,
Athens, Greece (Tel: 3247-048). synera analytical prequalification announcements will be available.

1

The Minister, ATHANASIOS TALIADOUROS,

#### **APPOINTMENTS**

# General Manager Banking

For a successful merchant bank in Singapore backed by a group of major Buropean banks.

- THE ROLE is to manage and expand further the group's banking activities in Singapore.
- BROADLY BASED experience of commercial banking preferably in South East Asia is essential. A banker with proven business development and management skills is needed. A knowledge of foreign exchange and money market operation is required.
- REMUNERATION is unlikely to be less than US \$50,000 p a with expatriate benefits.

Write in complete confidence to A. Barker as adviser to the bank.

#### TYZACK & PARTNERS LTD

MANAGEMENT CONSULTANTS and LONDON WIN 6DJ 10 HALLAM STREET 21 AINSIZE PLACE EDINBURCH RH3 6AJ

RHODESIAN CABLES LIMITED

(Registered in Zimbabwe)

**Notice to Shareholders** 

Profit Statement and Declaration of Final Dividend

for the Financial Year ended 30th June 1980

Audited profits for the year compare as follows with the

corresponding figures in respect of the previous financial

Year ended 30.6.80 Z Dollars

3.319.600

1,575,400

1,744,200

The Chairman's Statement and Annual Report will be posted to Shareholders by the 16th October 1980.

Notice is hereby given that a final dividend (No. 32) in respect of the financial year ended 30th June 1980 of 34 cents per

ordinary share making a total for the year of 44 cents (year ended 30th June 1979, 30 cents) has been declared by the Directors payable to Shareholders registered in the cooks

of the Company at the close of business on 5th September 1980. The Dividend will be paid on or about 17th October,

The transfer books and register of members will be closed from the 6th September 1980 to 19th September 1980, both

In the case of Shareholders whose addresses in the share register are outside Zimbabwe the payment of this dividend is subject to exchange control approval and to non-resident shareholders' tax of 20 per cent.

By Order of the Board

Year ended

30.6.79 Z Dollars

2,172,800

1,200,400

P. DE CHASSART

Salisbury

972,400

#### COMPANY NOTICES

Pre-tax Profit

After-tax Profit

Dividend Declaration

dates inclusive.

**Taxation** 

NOTICE TO HOLDERS OF SCARER DEPOSITARY RECEIPTS (BDRs) IN COMMON STOCK OF HITACHI LIMITED

We are pleased to confirm that copies of the Annual Report at at March 31 1979 and the Consolidated Subsidiaries are not suited to BDR Holders upon application to the following conversion agents.

#### LEGAL NOTICES

THE COMPANIES ACTS 1948 TO 1967

H. BRENNER & SONS LIMITED

NOTICE IS HEREBY GIVEN that the
Creditors of the above-named Company
are required on or before the 28th day
of September 1980, to send their nemes
and addresses and the particulars of
their debts or claims, and the nemes
and addresses of their Solicitors if
any, to

PETER RICHARD COPP, FCA. of Messrs, Stoy Hayward and

of Messrs. Stoy Heyward and Partners,
44 Baker Street, London W1,
the Liquidator of the said Company,
and, if so required by notice is writing
from the said Liquidator, are by their
Solicitors, or personelly, to come in
and prove their said debts or claims
at such time and place as shall be
specified in such notice, or in default
thereof they will be excluded from the
benefit of any distribution made before
such debts are proved.

Dated this 15th day of August 1600.

uch debts are proved.

Dated this 15th dey of August 1980
P. R. COPP, Liquidator. THE COMPANIES ACTS 1948 TO 1967 LEICESTER SQUARE STEAK HOUSE LIMITED

NOTICE IS HEREBY GIVEN that the Creditors of the above-named Company are required on or before the 1st day of October 1990, to send their names and the conficulation of their debts or claims, and the names and addresses of their Solicitors if

London WIA 3BA, the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are by their soliditors, or personally, to come in and prove their said debts or claims at such time and place as shall be appetited in such notice, or in default thereof they will be excluded from the parent of any distribution made before

STEPHEN DANIEL SWADEN, PCA, of 3/4 Bentinck Street. London WIA 3BA.

benefit of any distribution made before

Lytton Road, Workington, Salisbury, 22nd August 1980

Directors: J. M. Magowan, I.C.D., C.L.M., O.B.E., C.Eng., F.I.E.E., F.S.A.L.E.E., F.Zweie. (Chairman) D. H. Cummings, LCD., O.B.E., F.C.LS. D. G. Sutherland, B.Sc., C.Eng., F.I.E.E.,

F.S.A.J.E.E., M.J.C.E. B. W. S. O'Connell, F.C.A., C.A.(S.A.), C.A.(Z.). K. Taylor, C.Eng., F.I.E.E., F.Zweie. (Managing) J. Sheærer, C.Eng., F.I.E.E.

> NOTICE TO BONDHOLDERS TELEFONOS DE MEXICO, S.A.

U.S.\$50,000,000 91% 1977/1984 BONDS to the provisions of the Purchase Fund, notice is hereby given sonanoisers that: during the six-month period following the twelve-month period ending on August 9. 1978, the balance of U.S.SEZS,DDD of above-mentioned Bonds angurchased during the twelve-month period ending on August 9, 1979, has 

e-mount of U.S. Selection of the Purchase Fund,
red in satisfaction of the Purchase Fund,
Amount outstanding: U.S.S42,875.000.THE FISCAL AGENT
KREDICTEANK
S.A. Limembourgeaise

BRITANNIA INTERNATIONAL FINANCE LIMITED

74% 1972-1987 LUXEMBOURG FRANCS 500,000.000.-

Holders of the above mentioned bonds are hereby knowned that the annual redemption instalment due October 15. 1580, amounting to Luvembourg Francs 50.000.000, has been endereby repurchased in the

THE SCOTTISH AGRICULTURAL

Luxembourg, August 29, 1980.

SECURITIES CORPORATION LIMITED 10}% Debenture Stock, 1989-91 Notice is hereby given that the REGISTERS of the above-mentioned Debenture Stock will be CLOSED for TRANSFER and REGISTRATION from 16th to 29th September, 1980, both days inclusive.

By Order of the Board, H. J. McTURK, Secretary. dinburgh EH12 5BR.

Luxembourg, August 29, 1980.

CANADIAN NORTH ATLANTIC
WESTBOUND FREIGHT CONFERENCE
CANADA-UNITED KINGDOM FREIGHT
CONFERENCE

NOTICE TO SHIPPERS AND IMPORTERS
FUEL COSTS
The Member Lines of the above Conterences operating services between the United Kingdom, Northern Ireland and the Republic of Iroland and Canadian Maritime, St. Lawrence River and Great Lakes ports would advise shippers and importors that the monitoring of their bunker position as at 15th August has revealed that, whilst there has been on significant change in fuel costs daring the month under review, a shortfall position has accumulated. Therefore in accordance with agreed Conference procedure the equivalent of Dirs. 2.00 per ton will be added to the existing bunker surcharges until this shortfall has been recovered. The revised bunker sarcharges to apply from 15th September will be as follows:—Dirs. 7.65 per ton measure heighted ment cubic metro).

Dirs. 9.49 per ban measure heighted ment cubic metro).

As Dirs. 9.49 per ban measure heighted ment cubic metro).

Manima for containers — Dirs. 90.50 40° containers — Dirs. 245.50 The bunker surcharge will continue to be exempt from the Conference currency adjustment factor and will not apply to Toronto/Hamilton additionals.

Any further changes to the bunker surcharge resulting from the mantify monitoring will be amounced as and when warranted.

Atlamic Container Line G.J.E.

warramed.
Atlantic Container Line G.I.E.
Canadian Pacific Steamships Ltd.
Dart Containerine Co. Ltd.
Hange-Lloyd A.G.
Manchester Liners Ltd. ) Joint
Golden Cross Line Ltd. ) Membersi CANADIAN ATLANTIC FREIGHT SECRETARIAT LTD.

Cunard Building

Liverpool L3 1DS. August 1980.

market.

Consequently, a drawing by let will not take place the year.

The amount of bonds outstanding after the redemblind date will be Luxembourg Francs 350,000,000.

EANQUE INTERNATIONALE A LUXEMBOURG Société Amorms Paying Agent Luxembourg. CITY OF BERGEN

U.5.510,000,000 51;% 20 YEAR EXTERNAL LOAN OF 1964

Bondinoiders of the above Loan are advised that the Redemption due the 15th October 1930 Le. U.S.5762.000 nominal has been effected by purchase. The outstanding balance of the Loan after this redemption is U.S.53,492,000 Nominal. HAMBROS BANK LIMITED

CANADIAN NORTH ATLANTIC WESTBOUND FREIGHT CONFERENCE CANADA-UNITED KINGDOM FREIGHT CONFERENCE CONFERENCE

NOTICE TO SHIPPERS AND IMPORTERS
FUEL COSTS
The Member Lines or the above
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the United Kingdom, Northern Ireland and
the Republic of Ireland and Canadian
Martithic, St, Lawrence River and Great
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month under review, a shortfall position
has accomulated. Therefore in accordance
with agreed Conference arcedure the
equivalent of Dirs. 2.00 per ton will be
added to the cristing bunker surcharges
until this Shortfall has been recovered,
The revised bunker surcharges to apply
from 15th Sentember will be at follows:—
Dirs. 7.65 per ton weight 1.000 kilosi
CAMADIAN ATLANTIC FREIGHT
Cunard Building.
Liverpool L3 105

**PUBLIC NOTICES** 

Cunard Building. Liverpool L3 105 28th August, 1980,

BEDFORDSHIRE C.C.
£4m bills issued Z7th August due 25th
November, 1980, at 140m, a. Applications
totalled £22th. £4m bills oubleading.



# East Rand Proprietary Mines, Limited

A Member of the Barlow Rand Group

#### NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting of members of East Rand Proprietary Mines, Limited will be held in the conference room, eleventh floor, 63 Fox Street, Johannesburg, on Monday. 29th September, 1980 at 10.00 a.m. for the purpose of considering and, if deemed fit, passing with or without modification the following resolutions:-

#### 1. As a special resolution

"RESOLVED THAT the company's authorised share capital be and is hereby increased from R4,000,000 divided into 4,000,000 shares of R1 each to R6,000,000 divided into 6,000,000 shares of R1 each by the creation of 2,000,000 new shares."

Subject to the passing of the special resolution on 29th September, 1980 and to the subsequent registration thereof, to the provisions of the Companies Act, 1973, as amended, and to the rules and regulations of The Johannesburg Stock Exchange and The Stock Exchange,

- " RESOLVED THAT 2,000,000 new shares be and they are hereby placed under the control of the directors of the company, who are hereby authorised:
- (a) to issue and allot 1,584,000 shares in terms of the proposed rights issue in the ratio of . 40 new shares for every 100 shares already issued;
- (b) to issue and allot a number not exceeding 396,000 shares as a result of the exercise f detachable options granted in the ratio of 1 option for every 4 new shares to be issued in terms of the rights issue:
- (c) to issue and allot any or all of the remaining unissued shares in the capital of the company at such prices, at such times, in such manner and on such terms and conditions as the directors may deem fit."

The reasons for proposing the special resolution have been given in the circular to members posted today and the effect of that resolution is to increase the company's authorised share capital to facilitate the proposed rights offer,

All members registered as such at the close of business on 26th September, 1980 will be entitled to attend and vote at the meeting,

A member entitled to attend and vote at the meeting may appoint one or more proxies to atrend, speak and on a poll vote in his stead. A proxy need not be a member of the company. The required proxy form for the general meeting accompanies this notice and further copies may be obtained from the company's transfer secretaries, or the United Kingdom

To be effective, the completed proxy form must reach the company's transfer secretaries in Johannesburg or the United Kingdom registrars and transfer agents not later than 48 hours (excluding Saturdays, Sundays and public holidays) before the meeting proceeds to business.

The holder of a share warrant to bearer who desires to attend or be represented at the meeting must produce his share warrant or a certificate of his holding from a banker or other approved person at the bearer reception office in the United Kingdom or he must produce his share warrant at the office of the Paris correspondents, in both cases at least ten days before the date appointed for the holding of the meeting, and shall otherwise comply with the "Conditions governing share warrants" currently in force. Upon such production a proxy form and/or attendance form will be issued under which such share warrant holder may attend or be represented at the meeting,

By order of the board, RAND MINES, LIMITED, Secretaries. per M. G. Cremonte.

Registered Offices Johannesburg 2001,

Transfer Secretaries: Rand Registrars Limited,

Devonshire House, 49 Jorissen Street, Brasmfontein, Johannesburg 2001.

Postal address:

United Kingdom Registrars and Transfer Agents: Charter Consolidated Limited,

P.O. Box 102, Charter House, Park Street, Ashford, Kent TN24 8EQ.

Bearer reception office: 40 Holborn Viaduct, London ECIP IAJ.

Paris correspondents: Credit Lyonnais. 19 Boulevard des Italiens. Paris 75002.

29th August 1980.

#### Robert Graham samples the delights of Benidorm

# A town transformed by tourism

possible to get any closer than incomes in Spain.
40 metres from the sea. In Benidom's grow 40 metres from the sea. In Renidom's growth has been Spain, which is controlled by nomenon of the past five years discos, front of me were 23 lines of based on three basic attractions Sr. Jose Ruiz-Mateos. The and is itself a reflection of their "We

six deep. This Playa de Levante and a accommodate the largest single number of holidaymakers in Spain. Right now, there are

close on 300,000 people.

The town has a hotel capacity of 35,000 beds and possesses is a total of 260,000 beds. This is 12 per cent more than the equivalent capacity in Greece. It is over three times greater than that of Tunisia and almost four times larger than that of

Everything in this resort is on a massive scale. On the 3 km Playa de Levante 15,000 deck chairs and umbrellas are available for hire every day. The town's three bakeries produce 100,000 loaves of bread a day and 200,000 more are brought in from outside. The population, crammed into hotels, apartments villas and camp sites, produces 180 tons of refuse a day. In the peak season the town becomes like an inflated balloon. The normal population almost triples. According to the latest census Benidorm has 28,496 inhabitants. Another 25,000 are reckoned to work here and in the winter and off season months the tourist population is around 50,000. No other Spanish resort expands in quite the same way.

"I can remember Benidorm when it was still a beautiful village," says Sr. Jose Such, the town's newly elected mayor. "I would rather not talk of the past," he says ruefully. In 15 years the place has been ruthlessly transformed by unchecked speculative development, which has followed the two beaches in a ribbon on either side of the old town. The beach fronts have been dwarfed by skeletal skyscraper apartment blocks and hotels constructed in unerring bad taste.

These stretch back in tapering layers into what was once good agricultural land but is now mostly deserted and unused. The farmers have become urban

bodies, becoming more and -the large sandy beaches, the Rumasa hotels group owns four increased spending power. Beni- flamenco shows several years more concentrated at the exceptionally high amount of large hotels, while there are two dorm is the nearest large water's edge. Lying on deck sun and low budget facilities, different Rumasa banks in town. Mediterranean resort by road chairs under umbrellas, they These still remain its fundamenformed a solid phalanx five or tal attractions. Unlike resorts on the Costa Brava, the Beni- alists-except for individual from the capital. dorm area was much more apartment/villa purchases neighbouring beach provide 5 deserted and freer of urban prefer to go more for quality important influx of Basques who boasts 68 discos, many open kms of magnificent sand that centres. This helps to explain why growth has been so rapid them out of Benidorm. The San Sebastian and Round San- morning. and on such a scale. It also is municipality is at some loss to tander. The Spaniards are generally conceded that plan-explain that despite the recess almost without exception family ning was exceptionally "Benidorm's development has

been so fast that the infraover 150,000 registered apart- structure, roads. water supply ments. According to the Minister and sewage have just not been of Tourism Benidorm's capacity able to cope," says Sr. Such. The town seems almost to groan under the strain of so many people. For instance,

blocks have been built without parking lots and there is just no space to accommodate an invasion of 50,000 extra cars in the summer. The most stretched resource has been water. Buildings were permitted even though it was known that water supplies were inadequate. The situation was made more complex by a system of private ownership of water. Thus in the summer Benidorm suffered from chronic water shortages. Two years ago the Spanish Navy had to ferry in water from nearby Alicante. This forced the authorities to act, and a consortium of eight townships and villages, led by Benidorm, was formed. This consortium has now nearly finished a Pta 1.5bn (£8.7m) system of pooled water supply which will eliminate all water shortages. However, there are still a number of hotels and apartment blocks that have to buy in emergency tanker supplies as a precaution.

To ease the strain on Benidorm's facilities there has been a freeze on all new hotel construction. Cheap Government backed credits to finance new hotels, a major stimulus to the Benidorm boom, have been stopped. The sole exception is in the five-star category, since the Government is anxious to encourage the growth of quality hotels in Spain. Benidorm currently has only one five-star hotel. Almost two-thirds of all its botel establishments are in

development has been Spanish

rush mat and stretched towards prises: from boutiques and of investment/property sub- and coming by car as opposed increasingly standardised, as is the sun like 25,000 others on souvenir shops to bowling alleys sidiaries of the banks. The to air charter. Benidorm's Playa de Levante, and night clubs. Benidorm's single most recognisable During August a majority of to select this spot. It was im- one of the highest per capita that of Rumasa, the largest the hoteliers, are Spaniards, night, flamenco has been sup-

estate agents that foreign capit- to half of all the Spaniards come

There is a consensus among from Madrid, and as a result up

However, this year there is an investments. This has kept traditionally have holidayed in



SEASIDE VIEW, against a background of Benidorm's "unerring bad taste."

sion it has never had so many groups—a recent survey showed requests for building permission. Estate agents, meanwhile. report a slackening in demand, the most popular prices being between the Pta 1,5m and Pta 2m mark for both Spaniards and foreigners.

Traditionally, the British have been the principal patrons of groups to Alicante Airport. The British presence is evident in the plethora of signs that appeal to national chauvinism or familiarity like "UK British pub" "the Copper Kettle."

The other major foreign group the two-star category and below. is the Dutch who are also co-exist in mutual curiosity. sea, is why they are here."

The bulk of the capital behind catered for by an extensive This said, the increasing I can vouch for one this the hotel and apartment block array of bars and restaurants (especially Indonesian menus).

that 90 per cent of all Spaniards

went on holiday as a family. There is a significant social difference between the Spaniards and foreigners. The Spaniards are generally members of the expanding middle class, willing to spend a good deal of money. The foreigners Benidorm, flown in on charter on the other hand are frequently working class in origin, operating on tight budgets. This seems especially the case with season months.

Spanish element in Beridorm tourism does not make the town

AT MIDDAY I rolled out my There are 2.572 business enter- backing or equity participation in apartments rather than hotels foods, which predominate, are chips have given way to ham-It had taken some 15 minutes development has also given it presence in Benidorm today is the holiday-makers, according to burgers, tea to Coca Cola. At private holding company in This has been a growing phe-planted by rock orchestras and

"We stopped taking them to back because they could see it was all so fake - some fat old woman in a spotted dress and a tired looking waiter type clacking the castaneties," commented one tour guide. Benidorm now until the early hours of the

Complaints about Benidonn are surprisingly few. The sun does shine and the sea water is clean. This year the municipality instituted twice-weekly chemical checks of the water in six spots. It has also improved the night cleaning of the beaches, which gather 50,000 cigarette butts a day, according

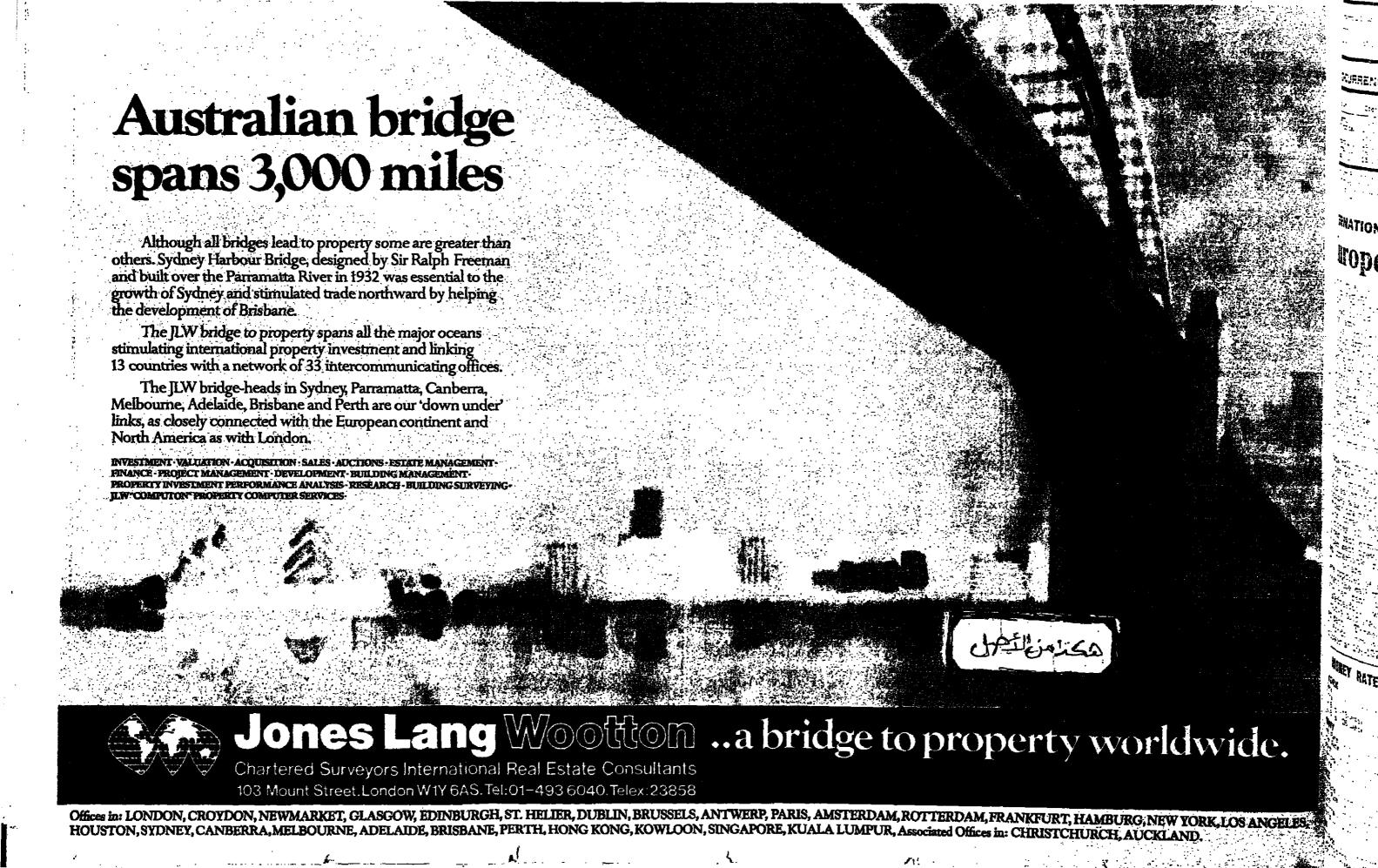
to a local statistician.
"Our main problem now is that Benidorm's budget is based on the town's census of 28,000 inhabitants and it is difficult to persuade the Government Ministries we need the money to satisfy the needs of almost 300,000," says Sr. Such.

The authorities cannot afford to let Benidorm's reputation suffer-which the water shortages seriously threatened to do. Benidorm is big business, providing Pta 22bn (£128m) worth of foreign exchange a year. This is almost 5 per cent of Spain's total foreign exchange earnings from tourism.

For their part, the hoteliers and restaurateurs are acutely conscious of the need to offer competitive prices. Many hotels have raised their prices only for the peak July and August months—and by a maximum 15 per cent in line with inflation. Profit margins are being tightly squeezed.

July occupancy in Benidorm's hotels was as low as 55 per cent in some cases, and this has not been a good year. The inter-national recession is blamed, as is the Basque bombing campaign in June and July. Nevertheless, this month has seen the resort at capacity. Says the mayor: "We try to make sure the motor-bikes without hausts are controlled, that the discotheques close on time, and the traffic works better and that the British tourists in peak the beach doesn't seem too crowded. But a lot of people Spaniards and foreigners like all this noise and crowd. rarely seem to mix, but they That, along with the sun and

I can vouch for one thing: a walk up and down 3 kilometres of beach is enough to satisfy property owners. Benidorm has —at least on paper. Quite in July and August the French any more Spanish in character, anyone's curiosity about the been converted into a resort frequently, development has and Belgians are numerous, Indeed, it has the anonymity of shape and colour of the human wholly geared to mass tourism, been carried either with the with the former tending to stay an international airport. Fast body,



# \$ & £ weak

weakened in fairty active foreign exchange tracking, and the U.S. currency finished fairly close to its lowest levels of the day against most major currencies. It touched a low point of DM 1.7850 against the D-mark, and closed at DM 1.7870, compared with DM 1.8005 previously, and weakened to SwFr 1.6420 in terms of the Swiss france before closing at SwFr 1.6420, compared with SwFr 1.6410, compared with SwFr 1.6615 on Wednesday. The Japanese yen remained after the India action in th terms of the Swiss france before closing at SwFr 1.6440, compared with SwFr 1.6615 on Wednesday. The Japanese yen remained strong, with the dollar falling to Y217.50, and finishing at Y218, against Y219.65. The dollar's trade-weighted index, as calculated by the Bank of England, weakened to 83.9 from \$4.3.

The pound opened at \$2.3930.
2.3940, and touched an early peak of \$2.3960.2.3970 before a large selling order pushed it down to \$2.3850.2.3860. At noon sterling was around \$2.3875, improving to \$2.3925 by mid-afternoon, and closing at \$2.3890.2.3900, a fall last year.—The krone low of the EMS at

4.3075. D-MARK—One of the weaker members of the European Monemembers of the European Mone-tary System of late, and showing pared with DKr 5.5685 pre a tendency to ease against the dollar following the turnround in U.S. interest rates. In previous months tight Bundeshank monetary policy and the sharp fall in U.S. rates led to a decline in the dollar against the German currency—The Bundeshank did not intervene when the dollar was fixed at DM 1.7890 at the frankfumt fixing, compared with the dollar, as the U.S. currency DM 1.8011 on Wednesday. The German authorities also did not support the dollar on the open market, but there was some surprise at the weakness of the U.S. six-week low of Y218.40.

sterling currency following the upward to foreign trend in U.S. interest rates. the U.S. Sterling fell to DM 1.2710 from the fixing and the fixed an

weakened to 83.9 from \$4.3.

Sterling's index, on Bank of England figures, fell to 75.9 from 76.2, after rising to 76.3 in the morning, but declining to 75.9 at noon.

The lira fell against most members of the EMS, but improved against the dellar on the U.S.

or 10 points on the day.

In terms of the French franc sterling fell to FFr 9.93 from FFr 10.01, and against the D-mark to DM 4.2725 from DM 4.375. krona and Norwegian krone also declined against the Danish currency, as did the dollar which wiously, and sterling which fell to DKr 13.2870 from DKr 13.3070. JAPANESE YEN — Steadler

recently, reflecting the relatively successful fight against inflation which allowed a cut in the discount rate last week, and also helped by the sharp fall in U.S. interest rates earlier this year.

#### **EMS EUROPEAN CURRENCY UNIT RATES**

	ECU central rates	Currency amounts against ECU August 28	% change from central .rate	% change adjusted for divergence	Divergence limit %
Balgian Franc Danish Krone German D-Mark Franch Franc Dutch Guilder Irish Punt Italian Lira	39.7897 7.72336 2.48208 5.84700 2.74362 0.668201 1157.79	40.5886 7.82402 2.52780 5.87968 2.75415 0.672872 1203.40	+2.01 +1.30 +1.84 +0.56 +0.38 +0.70 +3.94	+0.79 +0.08 +0.62 -0.66 -0.84 -0.52 +2.83	±1.53 ±1.64 ±1.125 ±1.3557 ±1.512 ±1.668 ±4.08
·					

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

#### THE POUND SPOT AND FORWARD

Aug. 28	spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.3850-2.3970	2.3890-2.3900	1.20-1.10c pm	5 77	2.77-2.67 pm	4.55
Canada	2.7550-2.7750	2.7825-2.7835	1.55-1.45c pm		4.05-3.95 pm	
Nethind.	4.65-4.71	4.651,-4.6512	21-11-c pm		63-53 pm	5.36
Belgium	68.45-69.15	68.50-58.70	27-17c pm		70-60 pm	3.79
Donmark	13.21-13.36	13.23-13.24	17=-31zore dis		65-8 dis	-2.21
Ireland	1.1365-1.1465	1.1370-1.1380	0.15-0.20p dis		0.28-0.33dia	-1.07
W. Ger.	4.26-4.32	4,26%-4,27%	3½-2½pt pm		85-75 pm	7.61
Portugal	118.40-119.70	118.70-118.90	25c pm-25 dis			-0.34
Spein	173.30-174,20	173.55-173.65	70-125c dis			-7.60
Italy	2032-2051	20337-20347	18%-21%lire dis			-12.34
Norway	11.55-11.64	11.55%-11.56%	44-24ore pm		8½-7½ pm	2.77
France	9.92-10.03	9.921, 9.931,	44-34c pm			
Sweden	9.947-10.017	9.96-9.97			104-94 pm	4.13
	517-627		1 <sup>7</sup> s- <sup>1</sup> aore pm		1½-½ pm	0.40
Japan		5202-5213	2.50-2.10y pm		8.15-5.75 pm	
Austria	30.20-30:55	30.25-30.30	15-12gro pm		39-34 pm	4.82
Şwitz.	3.52-3.99	3.92 <sup>1</sup> 2-3.93 <sup>1</sup> 2	3½-2½c pm	9,92	10 <del>1_91</del> ; pm	10.18

Selgian rate is for convertible francs. Financial franc 69.70-69.80. Six-month forward dollar 4.27-4.17c pm. 12-month 6.00-5.90c pm.

#### THE DOLLAR SPOT AND FORWARD

Aug. 28	Day's spread	Close	One month ·	% p.a.	Three months	% p.a.
UK†	2.3850-2.3970	2.3890-2.3900	1.20-1.10c pm	5,77	2.77-2.57 Pm	4.55
· Ireland†	2.0945-2.1000	2.0960-2.0980	0.65-0.55c pm	3.43	1.75-1.65 pm	3.24
Canada	1.1544-1.1588	1.1559-1.1562	0,03c pm-0,01 dip	e 0.10	0.29-0.24 pm	0.92
Nethind.	1.9475-1.9555	1.9490-1.9500	0.05c pm-0.05 dk	- 8	0.52-0.42 pm	0.96
Belgium	28.72-28.86	28.72-28.74	21-4c dis		4-6 dis	-0.69
Denmark	5.5370-5.5540	5.5370-6.5386	314-414 ore dis		914-914 dis	-6.86
W. Ger.	1.7850-1.8020	1.7865-1.7875	0.35-0.30pf pm		1.42-1.37 pm	3.12
Portugal	49.60-49.80	49.70-49.80	15-35c dis			-4.82
Spain	72.60-72.67	72.60-72.65	85-85c dis			-11.84
Itoly	852.20-855.30	852.20-852.50				-17.60
Norway	4.8400-4.8525	4.8400-4.8415	0.70-1.20ore dis	-2.35	1.90-2.40dis	-1.78
France	4.1550-4.1765	4,1550-4,1565	0.38-0.48c dis	-1.24	0.30-0.50dls	-0.38
Swaden	4.1700-4.1755	4.1700-4.1715	1.60-1.75ore dis	-4.82	4.35-4.50dis	-4.24
Japan	217.50-219.25	217.95-218.06	0.10-0.25y dis	-0.96	0.05-0.20dis	-0.23
Austrie	12_ <del>85</del> 3-12.70	12.6612-12.6712	0,20-0.80gro dis	-0.47	1,25pm50di	s 0.12
Switz.	1.6420-1.6630	1.6435-1.6445	0.65-0.60c pm	4.58	2.40-2.35pm	5.78

CURRENCY	MOVE	MENTS	CI	JRF	EN	CY RA	TES
Aug. 28	Bank of England Index	Morgan Guaranty Changes	Aug.	26	Bank rete %	Special Drawing Rights	European Currency Unit
Sterling U.S. doilar Canadian dollar Austrian schilling seigian franc Danish kroner Swiss franc Guilder Fre neh franc Lira Yen Based on trade we Washington agreen (Bank of England i	156.0 115.0 106.5 164.6 197.2 125.9 101.0 52.6 130.6	mber, 1971	Sterling U.S. 8 Canadi: Austria Belgium Danish D'mark Guilder French Lira Yen Norwgr Spanish Swedis Swiss F	Fr	63, 12 13 74, 94, 15 8,25 9	0.549899 1.31283 1.52131 16.7333 57,9080 6.30950 2.36454 2.57905 6.49026 6.49026 6.37904 96.3771 5.49025 2,16284	0.588830 1.40524 1.69524 17.9958 40.5623 7.82860 2.53154 2.75933 5.87742 1202.89 309.224 6.82737 102.091 5.87785 2.33593

#### OTHER CURRENCIES

Aug. 28	£	5		£ Note Rates
Argentina Peso Australia Dollar Brazil Cruzeiro Finland Markka Greek Drachma Hong Kong Dollar Iran Rial Kuwait Dinar(KD) Luxembourg Frc. Malaysia Dollar New Zealand Dir. Sauci Arab. Riyal. Singapora Dollar. Sth. African Raad U.A.E. Dirham	2,0490-2,0510 132,59-135,59 8,74-8,75 101,688-104,482 11,80-11,811 <sub>2</sub> 0.637-0.643 68,60-58,70 5,0970-5,1080 2,4350-2,4370 7,98-7,98 5,0480-5,0590 1,8090-1,8100	0.8580-0.8586 55.645-55.845 3.6520-3.6530 42.65-42.80 4.9450-4.9470 n.a. 0.8670-0.2671 28.72-28.74 2.1360 2.1380 1.0190-1.0200 3.1265-3.3200 2.1155-2.1175 0.7670-0.7575	Austria Belgium Denmark France Germany Italy Japan Netherlands Norway Portugal Spain Sweden Sweden Switzerland United States	30,18-30,50 69,40-70,00 13,14-13,24 9,87-9,93 4,25-4,28 2010-2160 522-527 4,63-4,67 11,49-11,59 116-1211 <sub>2</sub> 169-14-177 9,92-10,02 3,921 <sub>2</sub> -3,951 <sub>3</sub> 69,75

Rate given for Argentina is free rate.

#### **EXCHANGE CROSS RATES**

	·								_	
Aug. 28	PoundSterling	U.S. Dollar	Deutschem'i	Japan'seYen	FrenchFranc	Swiss Franc	DutchGuild'	Italian Lira	Canada Dollai	Belgian Fran
Pound Sterling	1.	2.390	4,273	521.0	9,930	3,930	4,660	2034.	2.763	68,65
U.S. Dollar	0,418	1.	1,788	218.0	4,156	1.545	1,950	851,2	1,156	28,73
Deutschemark	0,254	0.559	1.	121.9	2.324	0.920	1,091	476.1	0,647	16,07
Japanese Yen 1,000	1,919	4.586	8,201	1000.	19.06	7.543	8,944	3904.	5,303	131,8
French Franc 10	1,007	2,406	4.303	524.7	10,	3,958	4, <b>6</b> 93	2048.	2.782	59,13
Swiss Franc	0,254	0,608	1,087	132,6	2,527	1,	1,186	517.6	6,703	17,47
Dutch Guilder	0,215	0.513	0,917	111.8	2.131	0.643	2,291	436,5	0.593	14.73
Halian Lira, 1,000	0,492	1.175	2,101	256.1	4.882	1.932		1000,	1,358	33.75
Canadian Dollar	0,362	0.865	1,546	188,6	3,595	1.482	1,687	736.2	1,	24,85
Belgian Franc 100	1,457	3.481	6,224	758,9	14,46	5.725	6,788	2963.		100,

#### LONDON INTERBANK FIXING (11.00 a.m. AUGUST 28)

3 months	U.S. dollars	6 months	U.S. dollars
bld 115/8	offer 11 5/4	bjd 12 5/16	offer 12 b/f6

the bid and offered rates for \$10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris, and Morgan Guaranty Trust

#### **EURO-CURRENCY INTEREST RATES (Market Closing Rates)**

•	Aug. 28	Sterling	U.S.Dollar	Canadian Doiler	Dutch Guilder	Swiss Franc	West German Mark	French France	Italian Ura	Asian \$	Japanese Yen
	ishort term	1618-1658	954-10 1018-1056 1056-1078 1116-1116 1273-1216	912-11 912-11 10-1082 1012-1078 11-1182 1114-1158	104-10% 10%-10% 10%-104 10%-104 10%-10%	12-14 44-43 <sub>4</sub> 578-6 534-578 514-5 <del>18</del> 512-558	814-814 814-814 814-814 814-814 814-814	111g-12 111g-12 117g-121g 12-1214 1214-121g 121g-1214	14-20 20-25 291 <sub>2</sub> -311 <sub>2</sub> 291 <sub>2</sub> -301 <sub>2</sub> 29-30 27-28	3812-39 1056-1012 1034-1076 1154-1176 1216-1216 1216-1216	9-10 1012-11 1118-1136 1112-1134 1118-1138 938-978

Long-term Eurodoller two years 12½-12½ per cent three years 12½-12½ per cent; lour years 12½-12½ per cent; live years 12½-12½ per cent nominal closing rates. Short-term rates are call for sterling, U.S. dollars, Canadian dollars and Japanese year; others two-days' notice. Asian rates are closing rate in Singapore.

The following nominal rates were quoted for London dollar certificates of deposit; one-month 10.70-10.80 per cent; three-months 11.60-11.70 per cent; six-months 11.80-11.90 per cent; one year 11.95-12.05 per cent.

#### INTERNATIONAL MONEY MARKET

# European rates mixed Firmer

Interest rates showed little against a previous common level werall movement in Europe of 101-101 per cent. esterday. In Frankfurt call In Zurich money rates took overall movement in Europe yesterday. In Frankfurt call money was quoted at 9.0 per cent, the same as on Wednesday, while longer-term rates were slightly firmer. Six-month money rose to 8.70 per cent from 8.65 per cent and 12-month money to 8.40 per cent from 8.35 per cent. Short-term rates seem unlikely to fall ahead of the month end, with seasonal law respects due unless the tax payments due, unless the authorities decide to add further liquidity into the system on top of the recent cut in banks' minimum reserve ratios.

In Paris call money remained at 11½ per cent but rates for one-month money onwards showed an easier tendency. One-month money was quoted at 11½ remained against 142-11½ remained at 11½ rema

from Wednesday, with one-month money also steady at 101-102 per cent. Three- and sixmonth funds however, were quoted lower at 10-10; per cent

MONEY RATES

10%-10½ 10.11

MEW YORK Prime Rate ..

TANCE

#### **UK MONEY MARKET**

official loans at the discount "window" and funds through the lombard facility.

Small help Bank of England Minimum Londing Rate 16 per cent (from July 2, 1980)

showed an easier tendency. One-month money was quoted at 11½ per cent against 1½-1½ per cent against 1½-1½ per cent against 1½-1½ per cent compared with money all standing at 1½-1½ per cent compared with 1½-1½ per cent previously.

Dutch interbank rates were where changed adequate supplies of short-term money kept the call money rate at 10-10½ per cent, unchanged from Wednesday, with one-month money also steady at 10½- month money was quoted at 11½- per cent against 1½-1½ per cent adequate supply in the be in adequate supply in the but the authorities provided assistance on a small scale by buying Treasury bills direct from the discount houses. The market was faced with the unwinding of a previous sale and the discount houses are the cor. Austria, \$620-623 and \$755-758 and \$755-75 Day-to-day credit appeared to

# **GOLD**

In Zurich money rates took an easier turn as a result of end of month payments being largely met. Short-term money rates fell to around 10 per cent after the fixed at \$633.75 in the money for the day.

(\$641.05 per ounce) in the afternoon, compared with FFr \$5,750 (\$638.63) in the morning, and FFr \$5,500 (\$635.90) Wednesday afternoon.

In Frankfurt the 12½ kito bar was fixed at DM 36,540 per kilo (\$633.49 per ounce), against DM 36,710 (\$634.04) previously, and closed at \$634.637, compared with \$6322-6352. fell to around 10 per cent after 25 per cent earlier in the day. Banks were able to meet heavy month-end payments by use of official loans at the fixed at \$633.75 in the morn. with \$632]-635. The metal touched a peak of \$634-637 against \$632-636. In Zurich gold finished at

\$636-637½ after lunch. In Paris the 12½ kilo gold bar was fixed at FFr 85,750 per kilo

	<u> </u>	Aug. 28	Aug	g. 27
	<del>-</del>	Gold Bullion (fine o	unce)	
Close	\$633.75	(£26514-26612) (£26334-265) (£264,890) (£265,516)	8633-636 8630-833 \$632.75 \$633.86	(£26434-266) (£26432-26534) (£265,026) (£264,467)
		Gold Coins		
Mapleleaf New Sovereigns	\$1914-195 \$192-194 \$161-184 \$784-787 \$620-623	(£2731 <sub>2</sub> £741 <sub>2</sub> ) (£272-£74) (£671 <sub>4</sub> -58) (£60-61) (£60-61 <sub>2</sub> -811 <sub>2</sub> )	\$653-655 \$648-651 \$1501 <sub>2</sub> -1611 <sub>2</sub> \$191-193 \$191-193 \$1591 <sub>2</sub> -1621 <sub>2</sub> \$763-795 \$516-619 \$751-755	(£2723, 2744) (£270, 278) (£57-69) (£791, -801 <sub>2</sub> ) (£791 <sub>2</sub> -801 <sub>2</sub> )
PAFEAL OF	_		١ _	

#### LONDON MONEY RATES

Arg. 28 1980	Sterling Certificate of deposit	Interbank		Local Auth. negotiable bonds	House	Company Deposits		Treasury	Eligible Bank Bills Ø	Fine Trade Bills &
Overnight	1612 1628 1634 1656 1634 1676 1612 1678 1642 1518 1412 1434	15-164 1612-1634 1613-1634 1652-1634 1652-1634 1652-1634 1653-1634 1573-1573 1574-1573	163 <sub>4</sub> -167 <sub>8</sub> 167 <sub>8</sub> 163 <sub>4</sub> -167 <sub>8</sub> 165 <sub>6</sub> 16-162 <sub>4</sub> 147 <sub>8</sub> -15 141 <sub>2</sub>	175-1758 173-1758 173-1758 1714-1712 157-1654 155-16 1473-1518	17 17 <sup>18</sup> 17 <sup>18</sup> 18 <sup>18</sup> 16 <sup>18</sup> 16 15 <sup>12</sup>	17-174	15-15 <sup>3</sup> 4 		15-1-16-16-16-16-16-16-16-16-16-16-16-16-1	17 1654 1658 1658

Local authority and finance houses seven days' notice, others seven days' fixed. Long-term local authority mortgage rates nominally three years 142-144, per cent; four years 14-145 per cent; five years 133-14 per cent. 

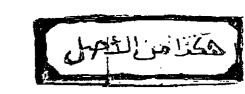
Beach bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 155 per cent; four-month

In table are duying rates for prime paper. Buying rates for low-month dank bits 16% per cent.

Approximate selling rate for one-month Treasury bills 142-142 per cent; two-month 142-142 per cent three-months 142- per cent. Approximate selling rate for one-month bank bills 163-163 per cent two-months 163-153 per cent three-months 163-154 per cent three-months 163-15 1632-1636 per cent: three-months 1632 per cent one-month treds pills 1632 per cent; two-months 1632 per cent.

cent: and three-months 1632 per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 1632 per cent from August 1, 1980, Clearing Bank Deposit Rates for sums at seven days' notice 14 per cent. Clearing Bank Rates for lending 16 per cent. Treesury Bills: Average tender rates of discount 14,8005 per cent.



# WORLD VALUE OF THE DOLLAR

The table below gives the rates of exchange for the U.S. dollar against various currencles as of Wednesday, August 27, 1880. The Exchange rates listed are middle rates between buying and selling rates as quoted between banks, unless otherwise indicated. All currencies are quoted in foreign currency units per one U.S. dollar except in certain specified areas. All rates quoted are indicative. They are not based on, and are not intend used as a basis for, particular transactions.

Bank of America NT and SA does not undertake to trade in toreign currencies, and neither Bank of America NT and SA nor the Times assume responsibility for errors.

COUNTRY	CURRENCY	VALUE OF DOLLAR	COUNTRY	CURRENCY	VALUE OF DOLLAR	COUNTRY	CURRENCY	VALUE OF DOLLAR
Afghanistan	Afghani (O)	44.00	Greenland	Donleh Vonne	5,5665	l		
Albania	Lek	4,2305	I Urensos	I Pankhasa 8	2,7025	Papua N.G	. King. Gramai	0.665 137.30
Algeria	Dinar	5,8325	i Guadainuae	Assi Casas	4,1807 1,00	Paraguay Paoples D. Repub.	, County III	101.00
Andorra	Spanish Pasata	4.1807 72,685	Guam	U.S. 5 Cuatrol	1.00 1.00	I Of Yeman	S. Vermen Nines	0.3415
Angola	Kwanza	27.627			38,5015	Peru	SOI Dh. Been	294.68
Antigua	E. Caribbean &	2,7025 1872,50	(Guinea Rapublic	. Syli	18,7953	Philippines Pitcairn Islands	NZ S	7.55
Argentine	Argentine Peso Austrolina S	0,8647	Guyana	Guyanese \$	2,5308	I Poland	Zloty (O)	31.00
Australia	Schilling	12,745	Haiti	Gourde .	5.00	Portugal Port Timer Puerto Rico	Port, Escudo	49.83
Azores	Portug. Escudo	49,83	Haiti	Lempira	2,00	Puerto Rico	U.S. 8	n.a 1.00
Bahamas	Bahamlan \$	1,00	Hong Kong Hungary	M.K. 8	4,9495 32,6022	1		•
Bahrain	Dinar	0,3778 72,685	1141120174	runni (O)	94,0UZZ	Qatar		3.678
Balearic Isles Bangladesh	Taka	14,8361	iceland	I. Krona	498,50	Reunion lie de la	French Franc	4.1807 4.47
Barbadoe	Rarhadoe C	2.01	India	Ind. Rupes	7.8125	Rwanda.	Rwands Franc	92.84
Belgium	B. Franc (C)	28.872	Indonesia	Rupiah	625,00 70,00	Ot Chulmanta	E 0	•
Belize	Belize 5	. 29.335 8,00	Iraq	iraq Dinar	0.2953	St. Helena	. E. Carlogean ş . £ Sterling*	2.7025 2.3874
Regin	C.F.A. Franc	209,035	Iraq Irish Republic	Irish Punt*	2,0935	St. Lucia	E. Caribbean \$	2,7025
Bermuda Bhutan	Bda S	1,00 7,8125	13120	ISPBBIL HOUNG (4)	55,32 855,95	St. Pierre,	Fr Franc	4.1807
Bol ivia	Bolivian Peac	25.00	Italyivory Coast	C.F.A. Franc	209,035	St. Christopher	U.S. S	2,7025 1,00
Botswana	Pula i	0.773	1		1.7835	San Marino	Italian Lira	855,96
Brazil Brit. Virgin Islea	Cruzeiro	54,70 1,00	Jamaica Japan Jordan	Yen	219.95	Seugi Arabia   Senegal	C. F. A. Erene	3.3295 209,035
Brunel	Brunei Ş	2,135	Jordan	Jordan Dinar	0.2905	San Marino	S. Rupee	5,5835
Bulgaria	Lav	0.879	Kampuchea	Riel I	n.a.	O1911   12 1240   10 1212   11	LEUITO	0.8377
Burma	Ryat Burundi Franc	6,7271 90,00	Kenya Korea (Nth) Korea (Sth)	Kenya Shilling	7,3551	Singapore Solomon Islands	S.L.S	2.135 0.8647
CamerounRepub's		209.038	Korea (Nth)	Won	0 <u>.</u> 94 804.00			6.0241
Conode	Canadian 6	1.1585	Kuwait	Kuwait Dinar	0,2676	South Africa Spain	Rand	0.7582 72,685
Canary Islands	Spanish Peseta	72,685	Lao P'pia D. Rep	Kin of Lib (	16.00	Spanish Ports in North Africa.	I. Doggaz	1 .5.000
Canary islands Cape Verde Isle Cayman Islands Cent. Af. Rep	Cape v. Escudo	36,51 0.835	Lebanon	Lébanése Pound	3,422	North Africa	Sp. Peseta	72,685
Cent. Af. Rep	C.F.A. Franc	209 038	Lesotho	Loti	0,7582 1.00	Sri Lanka Sudan Republic	S. L. Kupes Pound (2)	15.45 0.50
ChadChile	G.F.A. France I	20.9035 39.00	Liberia Libya Liechtenstein	Libyan Dinar	0,2961	: XIMAD KADUNIN	Pound (1)	0,80
China	Henminki Vilon 📑	1.4907	Liechtenstein	Swiss Franc	1,661	Surinam	S. Gulider	1.80
Colombia	Col. Peso (O)	47,70	Luxembourg	Lux Franc	28,872	Sweden	S. Krona	0.7582 4.1805
Colombia	C.F.A. Franc	209,035 209,035	Macao	Pataca	5,305	Surinam	Swiss Franc	1,661
Costa Rica	Colon	8,57	Madagascar D. R.,	MG Franc	209,035	Syria	Syria Pound	3,9262
Costa Rica	Cuban Peso	0,707	Madeira	Kwacha	49,83 0,8065	Taiwan Tanzania	New Talwan (0)	36,00
Cyprus	Cyprus Pound Koruna (O)	0,3513 5,50	Malaysia	Ringgit I	2,1515	Tanzania	Tan Shilling	8,1898
Dem. Reb.S'oTôme			MANUSTER INIANUS	MORI KUIDAA 1	3,93	Thailand,	C.F.A. Franc	20,50 209,035
& Principe	S. Tome Dobra	34,4532 5,5685	Mali Republic Malta Martinique	Maltese Pound	418,07 0,3397	Tonga Islands Trinidad & Tob	Pa'anga	0,8647
Denmark Djibouti Rp. of	Dibouti Franc	158,384	Martinique	Local Franc	4.1607	Trinidad & Tob Tunisia	Trin. & Tob. \$	2,4063 0,4151
Dominica	E Ganobaan S 🕧	2,7025	Mauritania	Otorova i	41,807 7,614	Turkey	Lira	80,00
Dominican Repub.		1,00	Mexico	Mexican Pero	23.00	Turks & Caicos	U.S. S	1,00
Ecuador	Sucre	28,10	Mexico	French Franc	4,1807	Tuvalu	Australian Ş	0,8647
Egypt El Salvador Equatorial Guinea	Colon	0,69 2,50	Monaco	French Franc	4.1807	Uganda United Arab Emir	Ug. Shilling	7.3551
Equatorial Guinea	Ekuele	72.685	MONTSOTTET	E. Caribbean F	3,3555 2,7025	United Kingdom	£ Sterling*	3,6804 2,3874
Ethiopia	Birr (O)	2.0855	MOTOCCO	Difham i	3,866	Upper Volta	C.F.A. Franc	209.035
Faroe islands Falkland islands	Danish Krone	5,5665	Mozambique	Moz. Escudo	28,0849	Uruguay	Urua, Pess	9.23 0.637
Fili islands	Falkland is, £°	2,3874 0,8011	Namibia. ,,,,,	Rand j	0,7582			•
Finland	Markka l	3.6665	Nauru is	Aust 8	0,8647 12,00	Vanuatu Vanauta	Aust, \$	0.8647
France	French Franc	4.1807	Netherlands	Dutch Guilder	1,953	Vatican	ren Italian Lira	67.5614 855,95
French C'ty in Af French Gulana	G.F.A. Franc	209.035 4,1807	Netherlands NetherlandAntilles	Antillian Guild	1.80	Venezuela.	Bolivar	4.2937
French Pacific Is	C.F.P. Franc	72,8826	New Zealand Nicaragua	NZ Ş Cardaba	1,0246 10,00	Vietnam N Virgin islands U.S.	Dong (O)	2.18
Gabon	C.F.A. Franc	209.035	Niger Republic	C.F.A. Franc	209,035	AIIRII INSUOS D'S'	U.a. 0	1,00
Gambla	Dalasi i	1,6755	Nigeria Norway	Naira (0)	0.8543 l	Western Samoa		0,9087
Germany (East) Germany (West),	Deutschamerk	1.801 1.801	Norway	MOTW'S Krone	4,858	Yemen	Rial	4.57
Ghana	Cedi {	2,75	Oman,Sultanate of	Riai Omani l	0,3456	Yugosiavia	New Y. Dinar	27,45
Gibraltar	Pound* }	2.3874	•			Zaire Republic	Zaire Zaire	1,9916
Gilbert k	Nilidati Drachme	0.8547 48.875	Pakistan Panama	rkst. Kupee	9,91 1.00	ZambiaZimbabwe	KWACNA 7im 8	0.7799 0.6986
		}			-100 1	27 ( ) : 17 (17 17 17 17 17 17 17 17 17 17 17 17 17 1	¥	

n.a. Not available. \* U.S. dollars per National Currency unit. (0) Official rate. (C) Commercial rate. (F) Financial rate.

Official rate for specified exports and imports. (2) Sudan—Official rate for all transactions except specified exports and imports.

(3) Egypt—A different rate applies to certain transactions with non-IMF countries.

(4) Israeli Government are changing their currency to Shekels. However deelers are currently quoting in pounds.

(5) New Hebrides Independence 30/7/80 now named Vanuatu.

#### WESTLAND/UTRECHT INTERIM STATEMENT

ory to warm, spisiactory increase was recorded in the amount of credit granting for funding as atthough, of course, this was modest in commercian with our committee of

sperty sector new projects to a value of f 102 million sears-embadic positive of 1988, compared to f 144 million for the corresponding pa size the operations of associated companies. The projects were all to compared a properties. There was a further slow-down in the sal enter overing to market conditions. Consequently, the results achieved recitor fell below expectations despite an increased woman of new forces.

iring inprovenies in our consign cognization inpi) NV of Brussels was able to commence of iny approve from the authorities. Our cartific rankfurt and Desealder! Stock Exchanges, N

901,180 6,856

307,735

29,161

498,181 22,581

508.842

27,858

281,842

1980

591,147 18,521

32,915 278,038 483,396 72,537 1,621,172 949,768 121,845 510,183	31/12/1979** f 34,198 359,879 506,047 96,241 12,558,869 860,879 154,438 517,481	277,456 664,302 102,130 18,178,416 970,634 184,874	Office precises Property menaged Eulding projects in head Associated companies Mortgages Mortgages Mortgages Sondry receivables and other advances Sondry receivables and prepayments Interest receivables and mortgages and other
47,582 88,655 74,185,012	11,885 144,145 15,344,250		loans Short-term loans Bank and cash
30875/F0 f	31/12/19/9	: 1	Liabilities Chara control

870,972 1.001.273 15,344,250 TB.172.565

" सीक क्ष्मण्यां के व्यक्ति

•					
	25,366	48,535	21,488	61,703	Revenue from construction losses and other advances
	3,92¢ 3,925	8,845 8,155	7,715 1,816	13,765 4,682	interest on building projects Gross profit on building projects
1	7,559	17,000	9,521	18,427	Revenue from ballding projects
	5,733 5,520 2,468	10,731 6,809 5,6 <b>49</b>	6,569 1,542 3,268	13,071 8,184 - 6,083	Property management revenues lecome from essociated companies interest from liquid resources and studies
ַ ו	309,508	597,586	360,224	710,116	Group revision
-	248,240 6,553	490,352 13,514	314,809 5,836	615,567 11,027	Interest on borrowed funds Acquisition cost of borrowed funds
!	258,799	483,966	320,645	628,594	Total cost of honored funds
	22,897 1,683	44,433 3,311	24,448 2,047	47,487 4,229	General expenses Depreciation of property
1 ]	281,379	541,710	347,140	678,310	Group costs
] =	28,129	55,858	13,084	31,508	Operating profit
=	3,000 11,000	5,500 22,500	2,000 4,000	4,000 11,000	Provision for general custingencies Taxation
ł	14,000	28,000	6,000	15,000	



Companies and Markets	WORLD STO	CK MARKEIS
VEW YORK Stock 27 26 Stock	Aug.   27   26   Stock   27   26	Dow further down at 1pm
Stock 27 26 Columbia Gas 37.6 364 Gt. Atl. Pac. T Columbia Pict. 315 315 62 Basins Pet	Tea 7 7 Mess Petroleum 53 535g Schlitz Brew J 75g Schlumberger 1345g 1365g 305g 305g 305g 305g 305g 305g	<u></u>
Mr.   2014   19   Combustn. Eng.   72½   73   Gt. West Finance   19   Combustn. Eng.   19   Co	155g 1534 Missouri Pac 68 8ea Contrs 2514 253e 1234 1256 1257 1 1978 Mesouri Pac 68 8ea Contrs 2514 253e 1234 1234 1234 1234 1236 1336 1336 1336 1336 1336 1336 1336	Despite a modest faily from 7.3 points at 2.235.0. Losses led Marks tended lower, with down 50c to HK\$20.20, and Hong early hours, prices were still gains 222 to 139, on volume of Banks tended lower, with down 50c to HK\$20.20, and Hong early hours, prices were still gains 222 to 139, on volume of Banks tended lower, with down 50c to HK\$20.20, and Hong tended lower, with down 50c to HK\$20.20, and H\$20.20, a
VX Corp	271s 271s Mohasco 83s 81s Sealed Power 251s 251s 251s 1245 Mohasco MT 451s 433s Sealed Power 261s 265s 171s 1245 Mohasco MT 551s 571s Sears Roebuck 171s 172s	has shown all week.  but Metals and Minerals fell 7.2 dividend prospects.  Against the trend, nong Kong  Against the trend, nong Kong  Against the trend, nong Kong  Dublic Authority Bonds shed Electric put on 5c at HK\$7.10
terna Life & Gas, 34% 34% 34% 104% 104% 104% 104% 104% 104% 104% 10	1336 14 14 1518 1518 1518 1518 1518 1518 151	Index stood at 938.40 at 1 p.m., Oil stocks were generally lower as much as out, and 19.6m of 4.69 down on Wednesday's close, with Hudson's Bay Oil i lower at on volume of 27.31m shares C\$35; Texaco Canada; at C\$25; paper after purchases of DM 10m Singapore
11/2   11/2   Cons Edison	2714 2715 Murphy (GG)	(31.19m) in moderate trading. and Imperial Oil "A" CS1 at On Wednesday.  Declines led. advances by less CS412.  htn two to one. The NYSE All However, Gulf Canada was up htm two to one. The NYSE All However, Gulf Canada was up much as 80pf.  Occurrent Index was 24c lower 2 to CS302 on news that the much as 80pf.
Section   Sect	1958   1958	at \$70.91. Grand Banks off Newfoundland, Milan Heavyweight Sime Darby re- Higher interest rates and infla- where Guif has interests, may
Hitachi		easier trend, with the modest Royal Trustco "A," the most comeback apparently attribut active Industrial on 259,777 firm opening.
Alcoa	1778 1858 Nat. Standard 1558 1512 Sth. Cal. Edision 2412 2412	noted that trading slowed as the Thomson Newspaper rose CS11 while Pirelli gained L29 to L904. SS6.15, after disappointing exmarket began to recover, and to SC201 and Southam CS2 to Other gains included ANIC, pectations of a free scrip issue.
Am. Broadcastg. 321s 321s Gox Broadcast g SO 493s Hoover Univi	1612 1613 New England EL. 2173 224 Sth Railway 7514 7614 1813 1814 New Eng Tel. 8868 3812 Southland 2212 2314 2314 1815 New Eng Tel. 8868 3812 Southland 2814 2315 2315 2316 2316 2316 2316 2316 2316 2316 2316	Best Products, which reported announced newspaper closures in lower fiscal 1980 profits, lost S11 Canada.  In Banks, Insurances, Properties and Montedison among a
Am. Gen. Inence. 354 36 Crown Zell. 30 308 Houston Inds 4m. Holst & Ok. 184 194 Cummins Eng 3368 34 Houston Oli Market	47'4   2038   Nieg Mohawk   1976   1954   Square D 25%   26%	S381 attributing the gain to a Shares eased moderately in group Rinascente lost L21.50 to Australia  favourable analysis' report.  favourable analysis' report.  favourable analysis' report.  favourable analysis' report.
Am, Home Prod., 3012   3036   Currus Wright 494   958   Hudson Bay M   Am, Hosp, Supply: 4014   4114   Damon	Ingl 2612 27  ML Industries	Mobil was up ? to \$702. The was affected by Wall Street's company said the final test of lower trend but the 1.5 per cent the upper intervals of the Ben rise in French retail prices for Nevis 1.45 well off Newfound- July, announced yesterday morn- roofit taking and liquidations, stocks were hit hardest; falls
Am. Quagar Pet. 3514 3516 Degre 3513 4512 Hutton (EF)  Degre 3513 4512 Hutton (EF)  Petranger 9513 4513 Hutton (EF	361s 361s 361s Nth. Am. /Philips 307s 3012 Stanley Wks	land showed non-commercial ing, apparently had little impact The Nikkei Dow Index lost 50.83 outnumbered rises 112 to 26 in
Am. Tel. & Tel 525a 551s Dentsply Intl 181s 18 Ideal Basic Inc. 325 331s Detroit Edison 121s 121s Ideal Basic Inc. 345 454 Detroit Edison 121s 121s Ideal Toy	d 25 2512 Nwest lads	was off \$1\ to \$78\} after resum- ing. It said Central States Investment may want to sell part of its 20 per cent stake in OKC    Metals, Chemicals and Textiles trade of 220m shares (310m).
Amstar	2476 2476 Norton 4412 4234 Super Val. Strs. 2818 : 2814 1716 6034 6078 Norton Simon 1731 1778 Syntex 4714 4714 4714 2714 2724 2014 1718 Syntex 4714 4714 4714	THE AMERICAN SE Market company taxation expected to widely partly because of lack finds in Western Australia.  Value Index retreated 0.72 by the appropriate part month of the partly because of lack finds in Western Australia.
Arcatz 2018   2018   Disney, Walty 51   5136   Interlake   2018   Archer Daniels 3419   35   Dome Mines 1103   11012   Interlake   Interla	2716 2754 Ohio Edison	3.9m shares down on Wednes- FFr 1,111.  Among Foreign shares, U.S. Y2.650, Ricoh Y20 at Y550, reflecting the gold price in
Armstrong CK. 173: 18  Asamera Oli. 191: 1948 Asarco. 40:8 393: 1948 Ashland Oil. 381: 383: 178: 178: 178: 178: 178: 178: 178: 178	32& 33 op 1014 1019 Quitboard Marine 144s 144 Tesora Pat 311s 30 op 196 197a Overseas Ship; 331s 334 Tesora Pat 371s 381s	a delayed opening. It announced plans to merge with the newly- formed Splendour Form Inter- formed Splendour Form Inter- formed Splendour Form Inter-
Atlantic Rich	3016   3016   5016	holders receiving S7 a share.  Lake Shore Mines shed S1; to  Prices were broadly lower.  The market moved down in firmer with ICI up R3 at R90
Avnet	27   27   Pac. Gas & Elect   2278   2278   Texas Utilities   1756   1754   1754   1754   1754   1754   1754   1754   1754   1754   1754   1754   1754   1754   1754   1755   1	though some recovery was seen active trading, with neavy sen. In Plasmums, implats and from opening levels. Wall ing seen throughout the day. In Plasmums, implats and Strate's Wednesday decline was after a firmer start. The decline Rusplats rose 50c and 10c to
Rancal Trist	г 2739 2712 Paim Beach 1938 1938 Tidewater 48 4818 15 79 8058 Pan Am Air 558 538 Tiger Int 2578 2658 2658 2658 2658 2658 2658 2658 265	Stock prices continued lower commerciants in moderate noon trading, with the Toronto Composite Index off the Toronto Composite Index of the Toronto Composite Index off the Toronto Composite Index of t
Eankers Tst. N.Y. 55½ 55 Barry Wright 57% 39 Baush & Lomb. 156½ 57½ Baush & Lomb. 156½ 57½ Baush Tray, Lab 48% 49% Emercia Elect	4912 5058 Peabody Intl 3114 3014 Penney JC. 2558 2534 Pennwalt 2558 2912 Topker 2112 2138 1638 1638 1638 1638 1638 1638 1638 1	Closing prices for North  Losers included Hong Kong closed mixed unaffected by the trend and Ww in Cars rallied to Shanghai Bank and Hong Kong for in the London copper price.  Closing prices for North  Losers included Hong Kong closed mixed unaffected by the trend and two in Cars rallied to Shanghai Bank and Hong Kong for in the London copper price.
Beckman Instr	92. 3038 3138 People s Gas 5058 5034 Trans. 2312 2433 1138 1114 People s Gas 5058 2718 Transamerica 1734 1858 2313 2378 People s Gas 5016 5926 Transamerica 1734 1858 3412 3412 3412 3412 3412 3412 3412 3412	for this edition. despite news of short-time work- HK\$17.50. Hutchison Whampon, easier.  CANADA BELGIUM (continued) HOLLAND AUSTRALIA IAPAN (continued) Price + or
Bandix	r. 283, 281s Petrolane	Stock 27 86 Aug. 28 Frs. — Aug. 28 Price + or Aug. 28 Aust. 8 — Au
Big Three Inds 5873 5974 Excen 7136 7176 King's Dept. St. Slock HR 30 30 FMC 2614 2612 King's Dept. St. Knight Rdr. Nv Blue Bell 2978 3074 Faberge 1116 1154 Koehring	523t   5212   Phillip Morris   451s   464s   Triton Oil Gas   251t   257s   101g   1034   Phillips Pat   427s   421s   20th Cent. Fox   357s   361t   361t   361t   263s   Plinsbury   49   501t   JAL   203s   211s	Agrico Eagle     15:5     15:5     30c Gen Bang     2.430     -15     Ahold     72.50     -0.51     Aliatate Expl.     1.35     -0.03     Lion     -0.03     Mackta     -0.03     -0.03     Mackta     -0.03     Mackta     -0.03     Mackta     -0.03     -0.03     -0.03     -0.
Boise Cascede. 2712 375s Federal Co. 421s 422s Krast.  Borden. 255s E57s Federal Mogul. 198 198 Krastler.  Bors-Warner 401s 412s Fed. Nat. Rort. 1412 1516 Kroger.		Basic Resources 15 16 Union Miniere 1320 Bredero Cert 188 + 5.66 Aust Guarant 1.05 + 4.06 — 0.67 Mary 1.05 — 0.67 Mary 1.05 — 0.686 Mary 1.05 — 0.67 Mary 1.05 — 0.686 — 0.686 — 0.686 Mary 1.05 — 0.686
Briggs Stratn 267g 27 Fed. Resources, 77g B Lanier Bas. Pro Bristol-Myers	2712 2712 Prentice-Hail	Bow Valley
Brown Forman B: 491s 491s   1st Bank System.   301 371s   Levi Strauss   Levi Strauss   Levi Strauss   Levi Strauss   Levi Levi Strauss   Levi Levi Levi Levi Levi Levi Levi Levi	3216 5146	B.C. Forest   15   165a   Aug. 28   Price + or   Gist Brocades   30.80   Srambles Inda   2.75   Mitsut Co.   183   -1
Brunswick	54% 55 Quaker Oats. 29% 29% US Filter. 21% 21% 21% 4212 43 Quanex. 2714 27 US Gypsum 35½ 35½ 35% 65% 65% US Home. 24% 24% 24% 335% 3412 RCA. 26% 27 US Inds. 818 818	Can Packers 31 3112   Burm & Wain 25   KLM 66.50   -1 GRA
Burlington Nrhn 4134 4136   1st Pe nn 526 536 536   Lone Star Inda  Burlington Nrhn 4134 4136   Fisans 536 536   Lone Star Inda  Burlington Nrhn 4134 4136   Fisans 536 536   Lone Star Inda  Burlington Nrhn 4134 4136   Fisans 536 536   Lone Star Inda  Burlington Nrhn 4134 4136   Fisans 536 536   Lone Star Inda  Burlington Nrhn 4134 4136   Fisans 536 536   Lone Star Inda  Burlington Nrhn 4134 4136   Fisans 536 536   Lone Star Inda  Burlington Nrhn 4134 4136   Fisans 536 536   Lone Star Inda  Burlington Nrhn 4134 4136   Fisans 536 536   Lone Star Inda  Burlington Nrhn 4134 4136   Fisans 536 536   Lone Star Inda  Burlington Nrhn 4134 4136   Fisans 536 536   Lone Star Inda  Burlington Nrhn 4134   F	781g 785g Ramada Inns 85g 81g US Shoe	Can Imp Bank 29 2858 East Atlatic 107.25 —0.5 Ned Mid Bank 255 —3 De. Opts 0.19 —0.51 Nippon Shinpan. 673 +2 —3 De. Opts 0.19 De. Opts 0.19 De. Opts 0.19 De. Opts 0.19 Nippon Steel 138 —1 Nippon Steel 138 —1 Nippon Steel 138 —1 Nippon Steel 138 —1 Nippon Steel 2012 2912 2913 Forende Dampsk 185 +1 OGEM 2870 Coles (G.J.) 2912 2913 Forende Dampsk 185 +1 OGEM 2870 Coles (G.J.) 2870 —0.05 Nippon Steel 2870 —0.05
OBS 5078 51 Ford Motor 2758 2754 Lowenstein CPC Intl 6912 57012 Foremost Mck. 2958 2978 Lubrizol Lubrizol 5078 5078 5078 Foster Wheeler 4134 4538 Lucky Strs	105g 1054 Redman Inds 912 978 Utd Technolgs 50 51 721g 721g Reeves Bros 513g 313t Utd Telecomms 1712 18 157g 164 Reichhold Chem 12 121g Upjohn	Charokee Res  11½   113   113   114   115
Campbea 1895 253   2434   Franklin Mint 12   1258   1258   1259	131- 1358 Republic Steel 2314 2214 Varian Assocs 29 2568 Vernkron	Coming   Company   Compa
Carp Tech	221g 223g Revoc (DS)	Daon Devel   101; 101; 101; 101; 101; 101; 101; 10
Celarese Corp 535c 535c Gannett 513c 513c Mariev	1952   1912   Reynolds (RJ)   4056   4058   Warnacco   1445   1456   1	Dom Stores.
Central Tel Util 25% 2614 Gen Dynamics 714 7212 Martin Mita 548 Gen Electric 5478 56 Maryland Cup. Gessna Aircraft 1914 1954 Gen Exploration 259 256 Massoc Massoc 31% 3218 Massoc Massey-Farge	554 5614 Robins (AH)	General Services Serv
Champ Inti	70, 1514 1512 Rollins 287g 287g Westin Bancorp 2912 2912 1114 1114 Rollins 363g 363g Westin Rhi Ame 6812 703g 363g 363g Westinghouse 26 26 26 26 27 27 27 28 287g Westinghouse 36 26 26 26 27 28 287g Westinghouse 36 26 26 26 26 27 28 287g Westinghouse 36 36 26 26 26 26 26 26 26 26 26 26 26 26 26	Hawk Sid. Can. 185s 185s 185s 185s 185s 185s 185s 185s
Chesse Pond	26   2554   Royal Crown 1478   1412   1178   1778   1779   1	Hudson's Bay 254 27 Bouygues 592 -6 Assicur Gen 74,650 -255 Nicholas Int. 50 -0,10 Tokio Marine 628 -3 do. Oil & Gas. 56 37 BSN Gervais 1,028 -6 Banca Com'le 20,795 +95 Oakbridge 0,010 Tokio Marine 628 -3 Husky Oil 51 13 153 Carrefour 1,028 Tokyo Eject-Pwr. 1,028 Tokyo Eject
Cincinnati Mil 4512   4814   Genuine Parts 2635   2676   McGraw Edis Citicorp 2212   2214   Georgia Pac 28   2712   McGraw Hills		Imp Oil A   42   42   42   CSF (Thomson)   483
Citles Service     41½     42¾     Geosource     84¼     86¼     McLean Truck       City Investg     27¼     26¾     Gerber Prod     23¾     23¾     Mead       Clark Equipment     35¼     35½     Getty Oil     82     82%     Media Geni       Cleve Cliffs Iron.     31½     30¼     Giddings Lewis     326g     32½     Media Geni       Clorox     10¼     10½     Gilliette     29¾     30¼     Mollon Nati	2634 2738 Safeway Stores 33 3418 Winn-Dixie Str 3014 3018 3038 3012 St Joe Minls 5712 5814 Winnebago 234 3 3040 401c St Louis-San F 7819 79 Winnebago 234 3 2454	Kalser Res
Cluett Peaby 934 10 Global Marine 4313 4458 MelVille		Massey Ferg
Coilins Aikman 854 9 Grace 4418 4468 Meredith	3934 40 Saxon Inds 718 7 Zapata 5358 5254 3012 3038 Schering Plo 4212 4358 Zenith Rad 1612 1614	Mountain State.   1234   123
Indices		Oakwood Pet.         19se         19se         19se         Michelin B.         900         +20         Aug. 28         Price         + or         HONG KONG         Boustead Bhd.         4,48         -0,10           Omni         2.85         2.80         Moet-Hennessy         549         -6         Aug. 28         Price         + or         Frizar Aug. 28         Price         + or         Frizar Alesse         5.45         -0.16           Pan Can Petrol         39         91/2         Paribas         261         -2.53         Aug. 28         Price         + or         Frizar Alesse         5.90         -0.15
NEW YORK -DOW JONES : 1980   Since Cmplift's	. [ Aug.   Aug.   Aug.	Pating
Aug. Aug. Aug. Aug. Aug. Aug. Aug. 20 Aigh Low High Low  ### Aigh   Aug. Aug. Aug. Aug. Aug. Aug. Aug. Aug.	26 27 26 25 High Low  AUSTRALIA Sydney All Ord. (1956/55): 964.65: 973.70 978.54 975.51; 978.54 (25/8) 790.00 (2/1) Metal & Minrla. (1956/55):6217.52/6514.15:6566.50*6550.10; 8580.95 (14/2) 4581.25 (28/5)	Ranger Oil
H'me B'nds' 68.87 (u) 69.21 69.27 68.43 69.21 76.81 65.87 (28/6)	AUSTRIA Credit Aktien (2/1/82) 57.42 57.41 57.43 57.44 59.40 (7/1) 55.59 (19/8)	Royal Trustoo A   16   16   15-5
Utilities	BELGIUM Belgian SE (81(12)88)   95,39 84,28 34,88 94,64 105,76 (11/2) 90,14 (81/3) DENMARK	Teck 8
Day's high 953.24 low 939.68  Aug. 22   Aug. 15   Aug. 8   Year ago (approx	Copenhagen SE (1/1/73) 86.59 86.28 86.23 85.78 87.28 (12/8) 74.78 (6/5)  FRANCE CAG General (29/12/5) 110.1 110.6 110.5 110.0 117.8 (22/2) 97.1 (6/1) Ind Tendance (29/12/79) 118.5 117.0 118.2 115.4   117.8 (27/8) 56.6 (6/1)	Toronto Dom Bk.   3172   3154   Aug. 28   Price   + or   Atlas Copco
Ind. div. yield % , 5.59 5.53 5.64 ; 5.57  STANDARD AND POORS	GERMANY FAZ-Aktien (51/12/58) 236.58 232.57 282.92 231.70 238.89 (25/2) 212.73 (28/8) Commerzbank (Dec.1853 725.5 730.0 730.7 725.9 749.2 (25/2) 587.0 (27/5)	Westcoast Trans. 15% 15% BAYER. 116.80 -1.30 Fagersta 80 Aug. 28 Price 1 or Currie Finance 2.90 1.00 Pagersta 11.65 +0.81 Pagersta 11.65 +0.81 Pagersta 11.65 Pagersta 11.6
Aug. Aug. Aug. Aug. Aug. Aug. Aug High Low High Low	HOLLAND ANP-CBS General (1970) 85.4 87.5 88.2 88.5 88.8 (25/7) 74.0 (27/5) ANP-CBS Indust. (1970) 65.5 55.5 65.4 85.4 68.2 (11/1) 58.2 (28/6)	Seab-Scania   69.50   150   537   6   Gold Fields SA   92   40.1
Composite 128,59, 124,84 126,18 126,02 125,45, 125,77 (22/8) (15.2) (15/8/104) (16/8/8) (16/8	HONG KONG Hang Seng Bank (61/7/64) 1201.18 1218.58 1226.08 (c) 1226.03 (25/8) 738.9 (19/5)	AUSTRIA   Contr Gummi   63.8   -0.41 SKF   59   -0.50 CHizen   395   -8 Nectbank   6.50   -0.1 Daimier Benz   262.5   -0.50 St. Kopparberg   195   Daiei   725   OK Bazaars   19.40   -0.1 DKBO   402   Protea Hidgs   3.65   -0.1 Dai Nippon Ptg   565   -4 Rembrant   7.60   +0.1 Dai Nippon Ptg   -4 Rembrant
Ind. div. yield % 4.72 4.75 4.81 4.98	Banca Comm. Ital (19/2), 125.49 125.07 121.36 119.25 129.23 (20/8) 85.11 (2/1)  JAPAN	Deutsche Bank   285,3   -1,20   Creditenstalt   536   DU Schult   170   +3   Landerbank   270   Dyck Zement   138   -2   Creditenstalt   270   Dyck Zement   138   -2   Creditenstalt   270   Dyck Zement   138   -2   Creditenstalt   285,3   -1,20   Dalwa Salto   310   +5   Enst Plat   7,60   +0,1   Table   7,60   +0,
Long Gov, Bond Yield 11.10 10.87 10.71 8.95	Tokyo New SE (4)1/58/   476.85  478.48  477.84  479.53  479.53 (25/8)   448.01 (10/5)	Semperit
Aug. Aug Aug.   1980   155Ues Traded   1,915   1,884   1,909   1,915   1,884   1,909   1,915   1,884   1,909   1,915   1,884   1,909   1,915   1,884   1,909   1,915   1,884   1,909   1,915   1,884   1,909   1,915   1,884   1,909   1,915   1,884   1,909   1,915   1,884   1,909   1,915	OSID SE (1/1/72) 121.99 125.05 124.80 124.70 144.70 (14/2) 110.12 (28/5) SINGAPORE Straits Times (1966) 596.40 681.17 603.66 694.88 603.86 (25/8) 429.75 (5/1)	Hoeset — 150 — 150 — Hassgawa — 505 — Financial Band US\$0.81 Hotten — 144.5 — 150 — 150 Hotten — 150 — 150 Hotten — 150 — 150 Hotten — 150
71.1571.8672.0572.47, 72.47 55.30 Falls 374 599 574 Naw Highs 374 75 New Lows 3	SOUTH AFRICA Gold (1858) (u) 822.9 869.7 810.3 822.8 (27/8) \$49.5 (2/7) Industrial (1858) (u) \$17.5 \$19.7 \$20.7 \$25.5 (2/18) 456.9 (2/1)	BELGIUM/LUXEMBOURG  Kaufhof
MONTREAL Aug. Aug. Aug. 1980 27 26 22 High Low 280 74 396 881 397 54 390 191 492 80 (1995) 292 91 (97/5)	SPAIN Madrid SE (28/12/79) 195.43 105.82 106.71 108.82 106.82 (22/8) \$3.76 (13/6)	Aug. 28 Fis Lufthansa 76.5 - 0.6 interfood 5,500 Lacks 490 Banco Brasil 5.88 - 6.
Industrial 589.74 385.68 357.54 388.18 425.80 (29/2) 525.21 (27/5) 572.47 579.80 (29/2) 525.21 (27/5) 570.00 572.47 579.80 (28/2) 296.59 (27/5) 570.00 572.47 579.80 (28/2) 296.59 (27/5)	SWEDEN Jacobson & P. (1/1/68)	Bang Int A Lux 5,000 Belgo.Min. 5.15 -6. Bekant E. 1,905 +5 Metallgessell 289 5 -0.70 Nettle. 3,425 -20 Kaslims 310 Belgo.Min. 5.15 -6. Hostie & Gyr 1496 +25 Kaslims 310 310 +1 Lojas Amer. 3.05 +0 Controller & Gyr 1496 +25 Kaslims 310 320 +1 Lojas Amer. 3.05 +0 Controller & Gyr 1496 +25 Kaslims 310 320 +1 Lojas Amer. 3.05 +0 Controller & Gyr 1496 +25 Kaslims 310 320 +1 Lojas Amer. 3.05 +0 Controller & Gyr 1496 +25 Kaslims 310 320 +1 Lojas Amer. 3.05 +0 Controller & Gyr 1496 +25 Kaslims 310 320 +1 Lojas Amer. 3.05 +0 Controller & Gyr 1496 +25 Kaslims 310 320 +1 Lojas Amer. 3.05 +0 Controller & Gyr 320
NEW YORK ACTIVE STOCKS Change Change Wednesday Stocks Closing on Stocks Closing on traded price day traded price day	WORLD 1996 197.4	Electrobel 5,980 10 Rhein West Elect 178.5 -1.50 Sandoz (Pt Cts) 483 Kirin 419 +4 Unip PE 7,50 +6 Fabrique Nat. 2,995 -5 Rosenthal 278 +3 Schindler(Pt Cts) 483 Konyo 10,65 +20 Vale Rio Doce 10,65 420 Komatsu 730 4 Komatsu 730
Tesoro	Base values of all indices are 100 except NYSE Alf Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding honds. ‡ 400 industrials. § 400 industrials plus 40 Utilities. 40 Financials and	Hoboken
18M 531,900 65's - 's City Invest 428,600 27's +1	20 Transports, c Closed, u Unavailable.	Zurich ins   Zurich ins

# **Apple** in sight

By Richard Mooney

APPLE PRICES fell sharply on the British market this week as the glut domestic growers have feared for some time began to

With deliveries of English early varieties building up and shipments of French Golden Delicious getting into full swing shop prices were pushed down by as much as 20 per cent. Erench Golden Delicious were fetching 28-32p a lb compared with 35-40p a week ago while Discovery, the new English early variety, was generally sold for 25-35p against 36-40p, according to figures published by the Fresh Fruit and Vegetable Information Bureau yesterday.

British growers expect the market to remain under pressure, especially following a threat from French growers this week to step up their shipments by 8 per cent to a record 250,000 tonnes this season, The British have pleaded in vain for protec-tion against the French apples, which they claim are grown with the aid of Government subsidies, and attempts have been made to reach a voluntary agree ment with the French to avoid disruption of the UK market.

But M. Charles Calleja, a representative of the French growers, has told them France will send as many apples as the British housewife will buy. The British must produce what the public wants if they are to hang on to their market, he daclared. Banana prices shot up in British shops this week in the wake of Hurricane Allen, which destroyed much of the Caribbean crop. The Bureau said average prices were between 30p and 34p a pound compared with 25-30p last week.

#### Crarse grain shortfall predicted

By Our Own Correspondent

WORLD demand for coarse grains will reach 750m tonnes this year, 30m tonnes above estimated output, the Annual Conference of the Queensland Graingrowers' Association at Toowoomba, Australia, was told

Mr. Howard Colbert, the association's executive director, said any farmer who could produce a coarse grain crop next would "reap huge bene-

# Copper tumbles as end to U.S. strike is seen

BY DAVID LASCELLES IN NEW YORK AND ROY HODSON IN LONDON

copper on the London Metal that Japanese electrolytic copper hour for every 0.3 rise in Exchange yesterday was a sharp reminder of the underlying weakness in demand for the

The immediate reason was the prospect of an end to the two-months strike that has affected U.S. produnction. Negotiations in Phoenix, Arizona, have now cleared the way for an early settlement between Kennecott, the largest U.S. copper producer, and the

But demand for copper also is being severely affected by cutbacks in industrial production in many parts of the world. Australian producers are the latest to react. Mount Isa Mines said yesterday its price for copper will be lowered to \$1,800 a tonne from \$1,820 a tonne from today. The Electrotytic refining and Smelting Company

of Australia is making an identical adjustment to its ex-works Port Kembia Refinery price. Meanwhile it is reported by

per production is running at the consumer price index. between 2 per cent and 3 per cent below the level of last

Agreement will still have to be minium workers in the non-ferrous unions' goal of maintaining pay metal industry which is due to relationships with workers in convene today in Phoenix. However, a union spokesman said dustries. that upanimous approval was expected.

Given that Kennecott employs 20 per cent of the work-force of the copper industry, its than 23 unions, were particusettlement was also expected to set a pattern for other companies, notably Phelps Dodge and Anaconda, though resumption of full production could take several weeks,

The spokesman said the terms of the settlement would be withheld until they are put to the workers for approval. However, they are understood to provide for a 30-32 per cent rise over three years, on top of from the previous night's closing the existing cost-of-living clause price.

A FALL of 240.5 a tonne in Japanese government sources which gives workers one cent

The union spokesman said the terms were somewhat higher than those obtained by steel-The terms of the Kennecott workers, but less than the alu-Agreement will still have to be minium workers. He also approved by a conference of claimed that they met the the steel, rubber and motor in-

> The three-yearly copper wage negotiations usually produce a strike. However, this year's larly tough because of the current infiationary environment. News that a settlement was

tumbling. Spot copper fell more than 3c a pound at the opening to 86 cents on the New York Commodity Exchange. Cash copper wirebars were traded down on the LME

imminent sent copper prices

throughout the day to finish at £816.5 a tonne, a fall of £40.5

# Platinum producers raise price

BY JIM JONES IN JOHANNESBURG

SOUTH AFRICA'S two largest platinum producers, Rustenburg and Impala, have increased their platinum price quote to \$475 1979 from \$380 to \$420.

that the platinum producer in that the jewellery market in that crease will not result in a crease is justified at this stage country may now be recovering. surge in free market prices as as working costs at producing For several months manage-happened follow mines have advanced steadily ment at Rustenburg and Imber's price rise. since the last increase, while earnings and revenue have been restrained by the strength of the South African Rand against the dollar. At the same time, they believe that the important U.S. automobile industry has seen its worst, and will pick up with the new model season. Contractual platinum sales to Board, reports Reuter.

the U.S. car producers for cataabout one-third of the total marrelated to the producer price quote. Long-term delivery contracts negotiated during the past few years were agreed on a base price coupled with cost escalation factors and allowances for currency movement.

Another big market for plati- pala have been perturbed that num, the Japanese jewellery industry, has suffered from weak demand this year in the face of (£202) an ounce from \$420 high free market prices. A immediately selling it at a profit (£182.50). The producer price spokesman for Rustenburg to speculative buyers at the was last increased in December points out however that the higher free market price. 979 from \$380 to \$420. Intensity Int latest Japanese import figures

some buyers of platinum at the producer price have not been using the metal themselves but

happened following last Decem-

#### Cocoa officials sacked

THE GHANAIAN authorities • Signs that Ghana is prehave dismissed 45 officials, pared to reduce its export price some of them senior, from the country's Cocoa Marketing

Radio Accra reported yesterlysts in emission converters day that those dismissed were which generally account for alleged to have been involved in cocoa smuggling, fraudulent ket, are, however, not directly deals, defrauding and mis-related to the producer price appropriation of funds.

They included the assistant purchasing officer in the Ashanti region, a principal accountant and the principal internal auditor in Kumasi, the radio said.

for cocoa in line with the world market encuraged a further fall in London futures prices yesterday. The December position ended the day £15 down at £981.5 a tonne, the lowest level

Dealers said Ghana had indicated a selling price of £1,130 a tonne for May/July 1981 delivery cocoa, £30 below the previous traded level though still about £20 above the futures

for four years.

Commonwealth suppliers.
The current EEC export refund is £326 a tonne.

#### **Danish** bacon cheaper

By Our Commodities Staff

DANISH BACON should be cheaper in the shops next week following a £50 cut in the first-hand selling price announced yesterday. Ess-Food, the Danish bacon factories' export association, said the price had been reduced to £1,210 a tonne, its lowest level since last October.

FMC, Britain's biggest curer has made a similar cut in its official price, taking it to £1,180 a tonne. But meat traders said this was only likely to result in a reduction in the discounts of around £70 a tonne already available against the official price. They thought the actual price to retailers would be little

The Danish cut is equivalent to about 2.25 a lb spread over a whole side, but most of the reduction is expected to be concentrated on the middle, where the rashers come from. This could mean a 3p or 4p a lb cut in retail

rasher prices.

Denmark supplied 13R 680 tonnes of bacon to the UK in the first 33 weeks of this year compared with 130,150 tonnes in the same period of 1979, Ess-Food said.

#### Call to raise cheese subsidy

MR. PETER WALKER, the UK agriculture minister, has been pressed to urge the EEC Commission to double to £600 a tonne, the subsidy paid on cheese exports. In a letter to the Minister Mr.

Chris Noonan, export develop-ment director of Express Crezmeries, said Britain's exporopportunities to America could collapse if a substantial increase in the subsidy were not forthcoming. He said it was essential to maintain British exports to the U.S. to offset the effects of renewed Commonwealth market access under GATT rules which came into effect on January 1.

Even a £600 export refund would make the American business "only barely profitable," Mr. Noonan told Mr. Walker. But without it the EEC might continually fail to meet its U.S. quota and the Americans might therefore switch to cheaper

#### UK CEREAL HARVEST

# It only goes to show...

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

have a look at Danish farming problems, of which more at a later date. It was rather an improvident action for an arable farmer with some 300 acres to secure, but it was raining at the time of my departure, and more importantly less than 100 acres showed any sign of being in any remedial measures was past. way likely to ripen over the

next ten days or so. After three days I rang home to find that the sun was shining, the machinery all working well, and the wheat was ripening In fact, the combines started

on the Monday afternoon, and had not stopped until all the wheat and barley was finished by last Tuesday evening, except for some spring-sown wheat which is a fortnight away. There had been no breakdowns at all until I drove into a field on my return, and one of the combines immediately stopped with a minor break. I was advised to keep away until they had finished.

This was an astonishing turn-round, as close examination of the standing wheat before going away indicated September as the earliest date for ripening for the greater part of it. Indeed this is normal on my farm. It only goes to show that in farming, experience is no better guide than ignorance as to the results of any growing season.

This was further borne out by the yields and quality of the grain. Accepted wisdom has it that wheat does best in a dry summer with plenty of hot sun. All I can say is that after the coldest and most sunless late summer that I can remember my yields and grain quality were much better than expected.

The auguries were not particularly good. None of the

consequence.

But on the other hand the ears were long and well filled and showed no signs of disease until very late in the growing season when the time for

In fact it was a bad year in which to judge the efficacy of chemicals. I used a growth reglator on three fields of wheat and on only oneof them did it seem to show any improvement. The theory behind the use of allows the use of more nitro-There is no doubt in my mind that the spring drought combined with the regulator prevented the full development of

The only chemical which worked really well was a mildewicide on spring barley. But here the malady was obvious, the crop was dying in the drought from the fungus and without the chemical yields would have been negligible. At least I think they would have This uncertainty about the

use of these chemicals is one of the confusions of modern farming. They undoubtedly work, but the published results of many trials indicate that although yields can be increased through their use on a blue-print system actual profits per acre, which is what farming is all about, can be just as good on a low use of these chemicals. Or even none at all. On my own farm I wasted a

autumn, which lasted several autumn-sown crops tillered as farmers are warned that this able margin, the cost of financ-I thought they should. That might happen, but in practical ing storing.

LAST SUNDAY WEEK I left means they did not throw as terms the chemical must be the farm and my harvest to many heads as I would have applied when the crop is at a liked to see, and the standing certain stage, and as no weather crops always looked thin in forecast is accurate for more than a few hours, one has to

reply on probabilities. But although the season has suited crop yields, it has caused other problems which may be felt for some time. Because of the failure of the autumn herbicides, there has been a considerable survival of weeds, particularly meadow grass and volunteer grasses These developed luxuriantly during July and August in the wheat fields and they will take this material is that it restricts a great deal of killing. Some the length of straw and thus of the winter barley was also cause it barvested early, the weeds have not developed anything like as seriously.

The final yields are hard to estimate at the moment, but it looks as though the wheat will average about 44 cwts an acre—rather down on last year —while the winter and spring barley will do better at about 45 cwts and 40 cwts. So the overall tonnage will be roughly the same.

The only remaining problem apart from sowing next year's crops will be making sure that the returns will cover the extra costs of the past year's farming. This after several fairly reasonable financial years for cereal growing, due partly to very low historic costs, looks like being difficult.

It is true that the intervention price for grain has risen by about 11 per cent, but even the fullest advantage is taken for both wheat and barley sales great deal of money because the for the months up to January pre-emergent herbicides did not will be very little improved work owing to the drought last over last year. In any case, the graduated rising intervention weeks. It is quite true that price does not match, by a size-

# UK barley exports up sharply

UK BARLEY exports in the first ten days of the new season starting on August 1 were 49,943 tonnes, the Home Grown Cereals Authority (HGCA) reports.
This compares with only

39,000 tonnes exported during the whole of August a year ago. Exports for all of July this year totalled 79,000 tonnes. Wheat exports for the first

were sharply lower at 1,561 tonnes, compared with 15,000 tonnes for the whole of July this year and 27,000 tonnes exported in August, 1979, the HGCA said.

Meanwhile, Greece is expected to export about 1.1m tonnes of wheat this year, up from 592,000

USDA, in its weekly report on world production and trade, harvest a record wheat crop of 2.9m tonnes, well above the 2.4m tonnes in 1979.

Greece apparently has shifted its export policy, now selling wheat as grain rather than exporting wheat flour and other wheat products. processed

#### **BRITISH COMMODITY MARKETS**

BASE METALS

COPPER. Fell heavily following news that Kennecott had reached agreement in principle with the striking copper workers. After opening at £864 forward metal came under heavy selling pressure and dropped to £828 on the pre-market. In the rings the price fluctuated between £328 and £834. The opening of New York markets saw forward metal trada at limit down and London dipped to £824 before a late with the state of £825. rally left the price at £835 on the Karb.

	1Umover:	ا دە,جى	Olities	3.	
	COPPER	a.m. Official	+or -	p.m. Unofficial	+0
		£	4	£	£
	Wirebars Cash 5 months Settlem't Cathodes	811-11.5 828-28.5 811.5	-47	854,75	
•	Cash	780-81	-44.7	785.5 810.5	58.5 28.5
	3 months Settlem't U.S. Prod	781	_44 K	-92_00-6.25	
	thet in the	the mon 1830 33	tal T	reding repo three mo 35, 34, 33 , 28, 29.	orted onths , 32,

Cathodes: Cash £781; three months C804.5, 5. Kerb: Wirebers: Three months £828.5, 28, 29, 28, 29, 29.5, 29, 28.5. Cathodes: Untraded. Afternoon: Wirebers: Cash £816; three months £834, 32, 31, 30, 31, 32, 33, 33.5, 35, 34, 35, 34.5, 34, 34.5, 35. Cathodes: Cash £785.5; three months untraded. Kerb: Wirebars: Three months £835, 36, 37, 36, 35, 34.5, 35. Cathodes: Untraded.

fell away to £7,110 on the early pre-market, reflecting the decline in copper, and this selling continued to depress the merket which dipped to £7,095 before rellying to £7,110 on the morning

	TIN	Otticial	· <del></del> _	Unomicial	
В	High Grac	le £	. ₽	₹	£
	Cash	7088.00	5,25 سې	7090	20
•				7120	+7
	Settlem't	7090-13	<b>—15</b>	_	
5	Standard		1		
Š	Cosh	7088-90	-12,5		-20
	3 months	7102-05		7120	÷7
7	0-441-44	2000-13	_4	_	
į	Straits, E.	:\$21 <del>49</del>	-15		
	<b>New York</b>	_	+9		
ŀ				efternoon (	boor
,	Kerb. Ho	WEVEL, III	then	months	20 8
	fresh buy	tua Auma	MIID		

TIN-Barely changed. Forward meta

•	TIN	a.m. Official	;+ or	p.m. Unofficial	+ 01
В	High Grad	e £	. €	£	£
	A-4-	7000.00	ط,12 سې	7090	20
•				7120	+7
	Settlem't	JAND-TO	<b>—15</b>	_	M1
5	Standard		1		
į	Cash	7088-90	-12,5	7090	20
-	2	フェハタ ハボ	1	7120	÷7
ì	Settlem't	7090-13	_4	_	
į	Settlem't Straits. E.	:\$2149	-13	_	
•	New York		1+2		<u> </u>
	Kerb. Ho	wever, in	the three	efternoon months	good to a

Three months Copper 831-838 LG. Index Our clients speculate, free of tax, in very small to very large 1. London Traded commodities, including GOLD.
2. The STERLING/DOLLAR exchange rate.
LG Index Limited, 73, The Chase, SW4 0NP. Tel.: 01-622 9192 amounts, on

CORAL INDEX: Close 482-487 (-7)

### **PUBLIC NOTICES**

THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA VARIABLE RATE RECEEMABLE The Council of the Royal Borough of Kessington and Chelsea announce that the half-yearly payment of interest due on 24th February 1951 on the above stock will be at the rate of £5.4814 (less income tax) or: £100 of stock.

28 Autest. 1983.

= :

#### LEGAL NOTICES

NOTICE IS HERBBY GIVEN that MISS WINNIE VIERRA of 35 Durham Road, London, N2 9DS, is appriving to the home Secretary for naturalisation, and that any person who knows any reason who knows any reason who should send a written and signed statement of the lacts to the Under Secretary of State, Home Office (Nationality Division), Lumar House, 40 Wellesley Road, Croydon CR9 28Y.

# The outlook for prices The latest Special Report from Inter Commodities takes an in-depth look at the sugar market, and

forecasts likely trends in prices over the months For a complimentary copy, and details of our investment services simply send us the coupon.

Please send me a free copy of Sugar, The Outlook for Prices And details of your investment services. To: Julian Rigby, Inter Commodities Ltd., 3 Lloyds Avenue, London ECSN 3DS FT29/P Telephone: 01-481 9827

Address

Business Tel: Home A SPECIAL REPORT FROM

This demand continued into the attar-noon and forward metal touched £376 on bear covering before easing to close the late Kerb at £372. Turnover:

,,,,,				
LEAD	a.m. Official	+ or -	p.m. Unofficial	+-
Cash 5 months 5 ment! U.S. Spot	372.73 359-5	£ -5.75 -5.75 -6	£ 362,25 375,75	£ -2 -2
Morning £369, 68,	g: Cash £3 67, 68,	58, 59 69, 1	9; three mo 59.5, 70,	onth 69.9

71, 73. Kerb: Three months 5372.5, 70, 11, 73. Arts. Inter months 5372. 73. Afternoon: Cash 5352; three months 5374, 75, 76. Kerb: Three months £376 75, 74, 75, 73, 72. ZINC—Moved narrowby in quie trading prior to closing the afternoon Kerb at £337.5. Turnova: 6,525 tonnes. a.m. + or p.m. + or Official - Unofficial -

071Cial — Unotice —

£ £ £ £ £
325.5 4 327.5 —3
325.5 4 325.5 —2.5
325.5 4 335.5 ..... Morning: Cash untraded; three months £337, 35, 36, 35.5. Kerb: Three months £334. Afternoon: Cash untraded; three months £336, 36.5. 37, 38, 39, 38.5. Kerb: Three months £338.5, 38,

ALUMINIUM—Lost ground in line with other metal markets. Three ALUMINIUM—Lost groums in line with other metal markets. Three months opened at £715 but came under pressure from profit-taking and stopless selling which depressed the price to a day's low of £708 on the late Kerb. Persistent offerings of cash the best presistent of the profit of t Kerb. Persistent offerings of cash metal narrowed the backwardation to £3. Turnover: 6,925 tonnes.

Alumin'm a.m. † or p.m. † or p.m. + or Official — Unofficial + or Spot ...... 714.5-15.5-12.0 712.5 -15 5 months 710-11 -11 710.25 -8.25

Morning: Cash, untraded; three months £710, 09, 10, 09, 10. Karb: months £710, 08, 10, 08, 10. Kerb: Three months £710. Alternoon: Cash £717: three months £709, 9.5, 10. Kerb: Three months £711, 10, 08, 09. 08.

NICKEL—Lost ground as heavy salling prompted by the decline in copper triggered stop-loss selling. Consequently, forward metal fell from £2,750 to the day's low of £2,710 before a late rally left three months at £2,717.5 or the late Kerb. Turnover: 600 tonnes. on the late Kerb. Turnover: 600 tonnes.

a.m. +or p.m. +or official - Unofficial -Spot ...... 2715-25-15 2702.5 -17.5 3 months 2752-58 -22.5 2735 -22.5 Morning: Cash untraded; three months £2,750, 53, 55, 57, 55. Kerb: Three months £2,752. Afternoon: Cash

untraded; three months £2,740, 45, 40.

35. Kerb: Three months £2,725, 20, 15. Silver was fixed 3.35p an ounce

for spot delivery in the London SILVER Buillon + or L.M.E. fixing price p.m. Unoffici'i per troy oz. Spot ....... 676.0p +3.55 678.0p 3 months. 702.90p +2.8 705.9p 6 months. 728.90p +2.8 12months 772.90p -3.8

Renewed commission house selling caused cocoa futures to ease further and trade at new contract lows. Producers remained withdrawn but consumers showed more inclination to price for and research. price fix and replace cover, reports Gill and Duffus.

W 0112 DE	u.			
COCOA	Yesterd'ya Close		Business Done	
ay	939-940 981-982 1025-26 1044-45 1065-67 1091-92 1112-16	-18.D -16.5 -14.5 -11.5	950-938 995-980 1038-25 1059-46 1079-71 1101-91 1125-17	

Sales: 3,858 (2,225) lots of 10

#### COFFEE

Robustas opened £10-£15 higher, but Robustas opened 110-215 higher, but mixed selling restricted any further advance and prices eased in thin conditions to around unchanged on the morning, reports Draxel Burnham Lambert. The afternoon saw the market ease further in mixed dealings. Some late trade support closed the market

just above th	e lows.		
COFFEE	esterday` Close	s' ⊢ or	Busines Done
£	per tonn	ej j	
Sept	1091-93 1136-38 1176-77 1181-85 1192-1200 1202-15 1210-80	-24.5 -20.0 -9.5 -18.0 -16.5	1170-30 1212-199 1212-180
Sales: 4,815	(4,094)	ots of 5	tonnes

ICO Indicator Prices for August 2 (U.S. cents per pound). Other Mild Arabicas 128.83 (130.33). Robustas ICA 1976 124.00 (same). ICA 1968 124.25 (aame). Unwashed Arabicas 209.50 (210.50). Comp. daily ICA 1968 163.64 (164.64).

#### GRAINS

LONDON GRAIN FUTURES — The market posted impressive gains today with wheat moving up 45p-70p in the morning on strong commercial buying. Hedge selling and profit-taking stemmed the advance and little change was seen in the attempon. Barley moved up in the stremoon. Barley moved up 250-50p in the morning and a further 15p-35p in the attention on atrong commercial buying, although at the higher levels good trade selling was encountered, reports Acli.

WHEA				
M'nth	Yesterday closs	+ or	Yesterday close	1+ -
Mar	96,10 99,50 103,60 107,15 110,70 114,05	+0.55	94,50 98,50 101,90 105,40	+0 +0 +0 +0 +0
8usii 95.65, 103.25,	ness done Nov. 99. March	65-99.2		95.2 103.6 M

103.63, March 107.20-107.00, May 110.70-110.40, July 114.00-113.95. Sales 418 lots of 100 tonnes. Barley: Sept. 90.60-90.05, Nov. 94.55-93.90, Jan. 98.55-98.05, March 102.00-101.65, May 105.50-105.15. Sales 603 lots of 100 tonnes. tonnes.

IMPORTED — Wheat: U.S. Dark
Northern Spring No. 2, 14 per cent,
Sept. 94,75, Oct. 98.50 transhipment
East Coast sellars. U.S. Hard Winter,
132 per cent, Aug. 95.75, Sept. 97.75,
Oct. 100 transhipment East Coast
sellers. Maize: French Sept. 124

transnipment East Coast sellers. South

African Yellow Sept./Oct. 90.00 sellers. Barley: English Feed fob Oct. 94.50, Oct./Dec. 96.50 traded East Cast.
Rest unquoted.
HGCA—Locational sx-larm apot prices. Feed barley: S. East 83.90, S. West 83.90, W. Midlands 83.10. N. West 85.30. The UK Monetary Co-efficient for the week beginning

#### RUBBER

The London physical market opened steadier, with fair interest throughout the day, closing uncertain. Lewis and Peat reported an fob September price for No. 1 RSS in Kusla Lumpur of 312.5 (307.75) cents a kilo and SMR 20 at 276.5 (272.5).

lo. 1 25.5.	Yest'day Close	Close	Done
ov ct- Dec n-Mar or- Jne r-Sept st-Dec n- Mar ol- Jne	66.90-86.00 66.80-66.80 66.90-57.00 70.40-70.50 75.40-76.50 76.00-76.20 78.40-78.60 83.80-81.30 83.80-84.00	96.08-85.80 66.38-87.00 86.50-98.80 72.40-72.60 76.60-73.40 76.00-78.10 81.00-81.10 83.80-84.08 81, 15 to	88,80 67,00-86,50 71,10-70,00 74,00-75,00 76,50-78,10 78,50 81,50-81,00
***			

# Physical closing prices (buyer) were: Spot 65.00p (64.50p); Oct. 66.25p (65.75p); Nov. 67.25p (66.75p).

SOYABEAN MEAL The London market uppened with losses of 50p in light trading, reports T. G. Roddick. Prices drifted but found support as nearby cash demend picked up and the market relied to

close unch	anged on 1	the da	<b>y</b> .	
	Yest'rday Close	+ or	Susiness Done	•
\pril	120,90-21.1 123,10-26,4	-0,15 -0,10 -0,05 +0,05	121,10-20,00 125,20-25,10 — —	1

October..... 126.80-80.5 + 0.05 Sales: 59 (163) lots of 100 tonnes.

#### SUGAR

LONDON DAILY PRICE (raw sugar): £310.00 (£313.00) a tonne cif for Aug.-Sept.-Oct. shipments. White sugar deily price was £312.00 (£316.00). Prices tell by around £8.00 during the day as commission house selling was matched by scale-down trade buying. March touched £338.00 mid-afternoon have had recovered by £1.50 as shortbut had recovered by £1.50 as short-covering developed towards the close reports C. Czarnikow.

No. 4 Yest'rdays Previous Business Con- Close Close Done Con-tract

£ per tonno Det ......|515, 20-15, 25'822,50-22,60'824,50-16,00 Jan .....|351.80-51.25|538,50-89.00'858,50-81.00 Moh....|558,40-89,50'845,55-46,75|848,00-88,00 May 355.70.55.75|840.50.41.00|542.00.85,60 Aug 223.00-26,25;528,20-27,00|526,55-24,10 Oct 31.00-12.00|516.80-18.00|516.00-15.00 Jan 31.25-91,75,294.00-98,60|296.00 Sales: 5,620 (9,815) lots of 50

No. 2 CONTRACT—Close (in order

buyer, seller, business, sales); Aug. 300.50 seller, 310.00-305.00, 53; Oct. 319.00, 319.30, 328.00-319.00, 131. Sales: 184 (605). Sales: 184 (606).
Tate and Lyle ex-refinery price for Tate and Lyle ex-rennery price to granulated basis white sugar was £342.6 (same) a tonns for home trade and £387.50 (£404.0) for export.

International Sugar Agreement (U.S. cents per pound fab and stowad Caribbean port). Prices for August 27: Only price 30.80 (30.79); 15-day

average 32.08 (32.23). WOOL FUTURES

SYDNEY GREASY WOOL-Close (in order: buyer, seller, business, sales). Australian cents per pound. Oct. 459.5. 460.0, 461.5-459.5 133; Dac. 467.5,

#### PRICE CHANGES In tonnes unless otherwise stated.

Aug. 28 +or Month 1980 - ago luminium ......2810/815 ....... Free Mkt |\$1700/1756 —70 

Nickel Freemkt (elf (lb	£3,186.48 290/316		25,248.3 ‡
Platin'ıntr'y oz Free mkt Quicksiveri	£202 £272.60	+ 19,5 +0,10	£182.5 £268.5
Silver troy oz 8 mths	676.0p 702.90p	1+3.65	672.90 698,20
Tin Cash 3 mths Tungsten22,646	87,120	+7	£7,270 £7,242 \$142,6
Wolfrm 22.04 ibs Zinc cash 3 months Producers	\$149/155 £327.5 £338.25	3 2,5	£304 £316
Oils Coconut (Phil). Groundnut Linseed Crude. Paim Malayan.	\$5107 £397 \$507.5t	-5 +2.5	***
Seeds Copra Philip Soyabean(U.S.)		· l	
Grains Barley Futures Maize		+0.70	£95.70
French No3AM; Wheat	*		£124 •
No.1 Red Spg. No 2 HardWint Eng. Millingt	£95.75		£98.50 ‡

commodities 21,042 -15 ± .08s.5 Coffeel t Nov. 21,157 Cotton A.index 98.85c Rubber (kilo)...65p +0.50 55p Sugar (Raw)....2310 3 2898 Woott'ps 64s ki...287p kilo +1 288p kilo ‡ Unquoted. r Aug.-Sept. a Sept. t Oct. u Sept.-Oct. v Nov. z Indicator. § Buyer. † Per 76-lb flask.

470.0-467.5, 87; March 478.0, 478.5, 479.0-478.6, 104: May 481.5, 484.0, 479.5, 131; July 488.0, 487.0, 488.0-480.0, 42; Oct. 485.0, 486.5, 487.0-485.5 36: Dec. 485.0, 486.5, 489.0-487.0, 5. Salas: 538.

LONDON NEW ZEALAND CROSS-BREDS--Close (in order: buyer, seller, business, sales). New Zealand cents per kilo. Aug. 350, 370, nil, nil; Oct. 360, 365, nil, nil; Dec. 362, 369, nil, nil; Jan. 370, 376, 370-368, 6: Merch 368, 376, nil, nil; Aug. 371, 378, nil, nil; Oct. 373, 378, 376, 4; Dec. 373, 379, nil, nil; Jan. 375, 380, 379, 4. Sales: 14.

#### **POTATOES**

LONDON POTATO FUTURES — The market was very quiet with no interest shown due to a total lack of news, reports Coley and Harper. Closing prices: Nov. 40.20, +10; Feb. 47.20, +10; April 54.00, +20. Turnover: 2 (large) £7.50, (medium) £4.80-£5.80. Lamon soles (large) £7.50 (medium) £6,50. Rockfish £2,80-£3,00. Reds £2.20. Saithe SP.QQ-53.20.

#### COTTON

LIVERPOOL-Spot and shipment sales amounted to 40 tonnes, bringing the total for the week so far to 345 tonnes. With the average cost of the raw material nudging 100c a pound, law customers were ready to extend engagements. Minor purchases developed in African qualities with some support or certain apecialist Middle Eastern

MEAT/VEGETABLES SMITHFIELD—Pence per pound. Best: Scottish killed sides 61.0 to 66.0; Eire hindquarters 70.8 to 74.0, forequarters 39.2 to 41.0. Veal: Dutch hinds and

#### tonnes last year, the U.S. Agriculture Department has

AMERICAN MARKETS NEW YORK, August 28.
PRECIOUS METALS reflected attempts to even out ahead of President Carter's economic speech. Copper closed (58.30). Merch 57,60-57.55 (57.87). sharply lower as reports circulated that Kennecott had signed an agreement with the union. Sugar moved higher on reports of unfavourable Feb. 1701.0, April 1742.0, June 1783.0, vields in Europe. Cocca and coffee Aug 1824.0 Oct 1742.0, June 1783.0. higher on reports of unfavourable yields in Europe. Cocos and coffee finished lower on speculative selling. Cotton closed much higher on good trade and speculative buying. Grains and soyabeans relited lete to finish moderately higher, while wheat was narrowly mixed. Cattle was mixed and the nock complex was lower on

moderately higher, while wheat was narrowly mixed. Cattle was mixed and the pork complex was lower on long fiquidation, reported Heinold.
Potatoes (round whites)—Nov. 25.2-85.6 (85.2), March 118.5-118.6 (120.0), April 142,7-143.4. Sales: 1,884.
Sugar—No. 11: Sept. 30.95-31.00 (31.08), Oct. 32.15-32.35 (31.86), Jan. 33.40-33.90, March 34.30-34.50, May 33.85, July 33.00, Sept. 31.50-31.75, Oct. 30.85-30.90, Jan. 27.50-28.00 (25.78), Oct. 22.90-25.35 (26.08), Dec. 30.85-30.90, Jan. 27.50-28.00 (27.70-27.20, May 27.20, July 27.30, Aug. Oct. 30.85-30.90, Jan. 27.50-28.00 (27.70-27.20, Sept. 229.5-230.5.
Sales: 14,950.
Tin—783.0-790.0 (780.0-787.0).
CHICAGO, August 28.
Lard—Chicago loose 23.25 (same).
New York prime ateam unavailable.
Liva Cattle—Oct. 68.30-68.20 (68.10), Dec. 69.00-68.90 (68.65), Jan. 70.15.
Feb. 70.35-70.50, April 72.10-72.20, June 73.40-73.45. Aug.
Liva Hogs—Oct. 43.15-43.35 (44.37), Dec. 44.35-44.47 (45.32), Feb. 67.05-47.00, April 46.30-46.40, June 49.80-50.00, July 50.60, Aug. 49.65, Oct. 43.12-85, (24.83), March 380-380.

148-21-221, 2821, May 8282-2, July 8282-2, Aug. 821, Sept. 800.
(27.75), Oct. 221.0-221.4 (220.7), Dec. 221.5-2313. May 233.0, July 233.5, Aug. 230.0-231.0, Sept. 229.5-230.5.
Sovyabeam Oil — Sept. 27.00-25.60-25.65 (25.78), Oct. 25.90-25.35 (26.08), Dec. 25.4-28.45, Jan. 229.0-231.0, March 27.10-27.20, May 27.30, Aug. 27.10-27.20, Sept. 27.05.

44.05-44.47 (447-1), Dec. 44.70-1, Dec. 137.70 (139.20), Dec. 137.70 (139.20), Dec. 137.70 (139.20), Dec. 137.70 (139.20), March 137.70, July 136.70.

41.00 August 28.

40.21 Sept. 820.— 229.5-230.5

40.22 Aug. 821.5-218.0 (27.5), Oct. 221.0-221.4 (220.7), Dec. 221.0-221.4 (220.7), Dec. 221.0-221.4 (220.7), Dec. 221.0-221.4 (220.7), Dec. 221.0-221.0 (221.4 (220.7), Dec. 221.0-221.0 (221.5), May 233.6, July 233.5, Aug. 221.0-221.0 (221.0-221.0 (221.0-221.0 (221.0-221.0 (221.0-221.0 (221.0-221.0 (221.0-221.0 (221.0-221.0 (221.0-221.0

Feb. 1701.0, April 1742.0, June 1783.0, Aug. 1824.0, Oct. —, Dec. —, Feb. 1948.0, April —, June 2032.0, Aug. —, Oct. —, Nov. —, April —, 150yabeans—Sept. 768-769 (765). Nov. 791-789 (786\*2), Jan. 805-807. March 822\*1,-823\*2, May 826\*2, July 826\*2, Aug. 821, Sept. 800. #Soyabean Mea(—Sept. 218.5-218.0

#### EUROPEAN MARKETS

ROTTERDAM, August 28.

Wheat—U.S. No. 2 Dark Hard Winter, 13.5 per cent, Sept. \$210, Oct. \$272, Nov.-March \$280. Brazil \$214, Nov. \$217, Dec. \$220, Jan. \$233. Feb. \$225, March \$228. U.S. No. 2 Red Winter, Sept. \$196, Oct. \$200, Nov. \$202. U.S. No. 2 Northern Spring. 14 per cent, Sept. \$206, Oct. \$214, Nov. \$217, Dec. \$222. Soyabsans—U.S. Two Yellow Gulfports, affoat \$307, Aug. \$307, Sept. \$305.0 Oct. \$318.50, Nov. \$318.25, Dec. \$323.50, Jan. \$327.75. Feb. \$333.25, March \$334.50, April \$337, May \$260-61, May \$230.3255, July \$3130-3210, Sales \$339. Argentine Aug. \$400. \$130.3180, Oct. \$3050-3100. Sales

Cocos (FFr per 100 kilos)—Sept. 900-915, Dec. 950-964, March 1002-1007, May 1010-1025, July 1017, Sept. 1035. Sales at call 4. Sugar (FFr per 100 kilos)—Oct. 3060-3070, Nov. 3140, Dec. 3141-3145, March 3260-81, May 3230-3255, July 3130-3210, Aug. 3130-3180, Oct. 3050-3100. Sales at call 11.

DOW JONES

Dow Aug. Aug Month Year Jones 27 26 ago ago

#### INDICES FINANCIAL TIMES Aug.27 Aug. 26 Minth ago Year ago 275.46 273.96 271.40 286,28 (Bass: July 1, 1952=100)

(December 31, 1931 = 100)

\$338, June \$339. Argentine Aug. \$298.50, Sept. \$301, Oct. \$309.25.

Aug. 27|Aug. 26|M'nth ago Year ag o 1240,9 1231.0 1201.0 1097,2

Spot 443.34 443.19436.01402.75 Ftur 452.58 470.89442.94413.58 (Average 1824-25-26=100) REUTERS Aug. 28 Aug. 26 M'nth ago Year ago 1723,4 17\$7,2 1705,9 1583,3 (Base: September 18, 1931 = 100)

ends 98.0 to 102.0. Lamb: English small 50.0 to 57.0, medium 48.0 to 52.0, heavy 40.0 to 48.0; Scottish medium 45.5 to 51.2, heavy 40.0 to 46.0; Imported frozen: New Zeeland PL 58.0 to 59.0, PM 51.0 to 52.0. Pork: English, under 100 lb 37.0 to 49.5, 100-120 lb 36.0 to 46.5, 120-150 lb 36.0 to 44.5. Grouse; Young best, each 200.0 to 240.0; old, each 100.0 to 140.0. MEA COMMISSION—Average fatetock prices at representative markets on August 28. GB cattle 74,45p per kg i.w. (+0.59). UK sheep 115,11p per kg est. d.c.w. (+5.87). GB pigs 65,20p per per pack se except where otherwise stated. Imported Produce: Oranges—Californian: 88 5.80-6.00, 113 4.00-4.30, 138 3.50; Outspan: Valencia Lates 112 4.30, 138 3.95, 150 3.20, Nevelates 112 4.05, 138 3.95, 150 3.20, Nevelates 112 4.05, 138 3.75, 150 3.00. Lemons—talian: 100/150 6.25-6.30; Spania: Trays 25/45 2.50-2.80; S. African: 9.50-10.00.

Grapefruk—Outspan: Mersh Scedless 4.50-8.75; Californian: Ruby 32 4.00-6.00, 48 5.00. Tangerines—Brezilian Honey 1- boxes 4.30-4.80. Apples—French: Golden Delicious approx. 20 lb. 72 3.00-3.20, 40 lb 125/150 8.00-6.50; Ex English Produce: Potstoss—Per bag, new 1.00-1.40. Mushrooms—Per pound 0.50-0.70. Apples—Per pound Grenadier

0.04-0.05, Howgate 0.06-0.07, Derby 0.07-0.08, Miller's Seeding 0.16-0.18, Tydemen's Early Worcester 0.12-0.18, Discovery 0.16-0.22, Bramleys 0.10-0.14, Pears—Per pound Williams 0.13 Pears—P Discovery 0.16-0.22, Bramleys 0.10-0.14, Pears—Per pound Williems 0.13, Dr. Jules 0.11, Plums—Per 12 16 Belfes 1.60, Czar 0.60, Victorias 2.00, Catbages—Per bag 1.50-1.60, Cauli-flowers—Per 12 1.60-2.80, Peas—Per pound 0.07, Beatroots—Per bag 1.00-1.20, Cucumbers—Trays 10/20 1.60-2.60, Tomatoes—Per 12 16 2.60-3.00, Letters—Per 12 cound 1.00-1.26, Coc. Lettues—Par 12, round 1.00-1.20, Cos 1.50, Webbs 1.40. Carrots—New crop 28 lb 1.00-1.50. Onions—Per bag 2.40-2.80. Celery—Par 20/30 2.60-3.00. Marrows—Box 12/15 1.00. Capsicums Per pound 0.20. Runner Beans—Per pound 0.12-0.18. Swedes—Per 28 lb Devon 1.00-1.20. Courgettes—Per pound 0.12. Sprouts—Per pound 0.14-0.16. Com Cob—Each 0.11-0.12. GRIMSBY FISH-Supply good, de-

mand good. Prices at ship's side (unprocessed) per stone: Shelf cod £5.09-£6.50, codlings £4.00-£5.00, Large haddock £4.00-£5.20 medium £3.40-£4.50, small £1.50-£2.70, Large place ES.00-ES.80, medium ES.00-E6.20, best small £4.00-E5.60. Skinned dogflah (large) £5.80-E7.20, (medium) £3.20-

FINANCIAL TIMES STOCK INDICES

# ICI figures set seal on thoroughly depressing day Gilts down £1 and 30-share index falls 8.8 to 482.7

\*First Declara Last Account Dealings tions Dealings Day Aug. 11 Aug. 28 Aug. 29 Sept. 8 Sept. 1 Sept. 11 Sept. 12 Sept. 22 Sept 15 Sept 25 Sept. 26 Oct. 6 ""New time" dealings may take place from 9 am two business days

Following the previous two-day setback, London stock markets were looking even depressed yesterday after second-quarter figures from Imperial Chemical Industries much worse than the most pessimistic market estimates. Con-sequently, the two main invest-ment sectors weakend to the extent that leading equities sus-tained double-figure falls, reflected in a drop of 11 points in the FT 30-share index at 2 pm; the index closed 8.8 down at 482.7 helped by late covering of short positions. Government stocks meanwhile, continued their downslide to finish with fresh losses ranging to a point.

The only saving grace for equities was a noticeable increase in trade, although some early buyers were later regret-ting their haste and ruefully counting the cost. For a while, conditions were extremely sensitive as the market absorbed the ICI shock but buyers began to regain composure in the late afternoon and most leading shares closed above the day's lowest. ICI fell to 344p immediately following announcement of the half-yearly results but railied to end only 6 off on balance at 354p.

#### Banks above worst

The tendency to switch out of Government stocks into other international investment areas on view that Gilt-edged currenly lack scope for early improvement, was again apparent. Dealers encountered further jaded market was further gave ground in sympathy, but unsettled by bearish advice from a broking house actively selling earlier in the week. Attempts to recover were thwarted by renewed offerings later in the day of the selling and allied Colloids closing 5 lower at 103p, after 102p. York-part of the selling and a sort of the selling selling and a sort of the selling selling and a sort of the selling selling at 103p, after 102p. York-part of the selling sell and most quotations settled only a touch off the session's worst. Treasury 112 per cent 1991 A. the £50-paid medium tap stock, lost another point to 443 and Treasury 13 per cent 2000, on which the final call of 21 per cent is due today, slipped ? to

Demand for Trade options fell away and only 647 contracts were completed compared with the

the worst with falls reflecting a other Store majors and although mark-down rather than any most finished a shade above the weight of selling. Barelays, 412p, day's worst, falls ranged to 10.

Among dull Insurances, Sun Alliance gave up 14 to 730p, and Royals 6 to 412p. Life issues had Legal and General 5 off at 220p and Prudential 7 cheaper at

emergence of sellers among among recently subdued Breweries resulted in sizeable losses across the board. Allied gave up 21 to 841p, while Bass, 232p, and Whitbread, 155p, fell 5 and 6 respectively and Greenall Whitley shed a similar amount to 215p. Wines and Spirits were also dull and Distillers dipped 5 to 218p. Support was again lacking for Tomatin, 4 down for a three-day fall of 10 at 140p. Leading Buildings were subjected to a certain amount of selling. Blue Circle losing 8 for a two-day fall of 12 to 358p on

the proposed £47m rights issue which accompanied the interim results, and Rediand falling 11 to 173p on the chairman's warning about full-year profits. Tarmac, 275p, and BPB, 231p, both shed 5, while Cement-Roadstone, at 85p, gave up half the pre-vious day's gain of 4 that stemmed from the good half-yearly profits and confident statement. Trading statements were usually responsible for firm up 6 at 140p, Mixconcrete, and Sharpe and Fisher, both a penny firmer at 77p and 35p respec-tively, all reflected satisfactory Federated Land and Building, at 90p, relinquished most of the previous day's speculative gain

Standing 4 easier awaiting the second-quarter figures, ICI reacted sharply on the announce-ment of profits well below market estimates and touched 344p overseas and domestic sales imbefore rallying well to close only mediately business began and a 6 down at 354p. Other Chemicals shire Chemicals shed 2 to a 1980 low of 32p on postponement of consideration of an interim dividend and gloomy statement on second-half trading. Rentokil, however, remained a firm market and put on 5 to a 1980 peak of 164p.

#### British Home flat

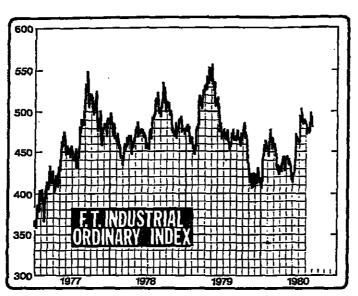
British Home Stores were sold previous day's 1,152. Lonrho slightly to cloe a net 13 cheaper were active again, recording 108 deals.

The major clearing banks usually closed a few pence above slightly to cloe a net 13 cheaper at 155p following a broker's downgraded profits forecast; the interim results are expected midusually closed a few pence above october. The news unsettled

weight of selling. Barelays, 412p, and NatWest, 372p, both closed 8 Gussles A shed that much at 452p, while House of Fraser gave Mothercare eased 4 to 246p, while Debenhams ended 2 cheaper at 70p. Secondary issues displayed a slightly steadier

appearance, although profit-taking was again noted in Harris Queensway, 6 down at 154p, and Lee Cooper, 7 lower at 148p. Mail-orders again lacked support following recent adverse com-ment and Grattan slipped 4 more

up 6 for a two-day loss of 10 at a few pence. Scattered losses elsewhere in the sector included one of 5 to 140p in Mining Sotheby's, a good market of late, Supplies. Comment on the pre-reacted 10 to 455p. Cawoods Supplies. Comment on the preliminary statement caused further dullness in Victor Products which gave up 5 more to 203p. Against the easier trend, Hill and Smith firmed 3 to 51p and Fife Forge 2 to 35p, both following satisfactory



to 56p. J. Hepworth fell 3 to 78p, but Mr. Ian Wasserman's holding of over 11 per cent in the company prompted continued interest in H. Goldman, 2 firmer for a three-day gain of 71 at 21p. Scattered support was also noted for Milletts Leisure, 3 up at 175p. and Greenfields, a shade harder at 48p.

Electrical leaders followed the general trend, but the first-quarter figures from Plessey were well received; a few pence easier in front of the announcement, Plessey moved ahead on it to 238p before settling without alteration on the day at 2360. GEC, down to 486p at one stage, recovered to finish 4 down on balance at 490p, while Racal ended 5 off at 298p. Elsewhere, adverse Press comment left Fidently Radio 6 cheaper at 31p. Other smaller-priced issues to give ground included Newman Industries, down 4 more at 31p. and Brocks, 3 lower at 18p, STC feil 10 to 415p and MK eased 4 to 206p. Among the occasional bright spots, Lec Refrigeration

hardened 2 to 78p on the in-

creased interim dividend and profits, while Kode rose 5 to 273p

Reflecting the sharply lower commodity price, British Sugar dipped 7 to 253p and Tate and Lyle 4 to 154p. Other Foods also joined in the general downturn, Associated Dairies shedding 8 to 212p, after 210p; the shares yesterday bucked the trend on good preliminary results, and a ne-for-three scrip issue. Tesco fell 3 to 57p following adverse Press comment. Outside the leaders, Somportex put on 4 to 172p in response to doubled preliminary profits, but Barker and Dobson shed a penny to 10p awaiting today's annual results.

#### Royal Worcester down

Leading Hotels and Caterers mirrored the market trend, Grand Metropolitan losing 5 to 160p, and Trusthouse Forte 4 to 180p. Ladbroke, following Wednesday's rise of 3 on betterthan-expected interim results, reacted 6 to 192p.

6 cheaper at 149p, after 147p. of the two dry appraisal wells Unilever lost 12 to 495p, while in the Tiffany field in the North losses of 6 were recorded in Sea. Some of the more specula-

Losses in the Engineering where, comment on the half- fell 30 apiece, while Berkeley leaders were usually limited to yearly results prompted fresh weakness in Royal Worcester which closed 17 lower at 303p. gave up 10 to 200p on the chairman's warning of a reduction in first half profits,

> a similar reason. Losses of 7 were marked against Cape Industries, 231p. Office and Electronic, 345p, and AGB Research, 203p, while Smiths Industries and Thomas Tilling fell 5 apiece to 221p and 163p respectively. The announcement rationalisation moves hard on the heels of the profits warning left Rotaprint 2 cheaper at 13p. News of the cutback in produc-News of the cutback in produc-tion and reduction in the workforce caused dullness in Redfearn Glass, down 7 at 163p, with Rockware easing 4 to 83p in sympathy. Good lately, BTR lost 9 to 380p in a thin market.

> Talk of a forthcoming reorgan-isation, denied yesterday by the company, prompted a useful demand for Dunlop, 2 better at 75p. The cautious tone of the chairman's annual statement unsettled recently firm Dowty which fell 13 to 241p, while profit-taking clipped 6 from Flight Refuelling, 240p. In Distributors, H. and J. Quick fell 5½ to 34½p on the sharply reduced half-yearly profits and the halved interim dividend. Dorada, interim due shortly, eased 3 to 48p, while similar losses were in Tate of Leeds, 71p, Kenning, 69p, and Appleyard, 45p. Pennine shed 14 at 104p, but revived speculative interest was shown for Caffyns, 8 up at

#### Oils above worst

Properties moved progressively lower on continuing thoughts that interest rates may not be reduced for some time. Land Securities, 358p, and MEPC, 228p, both shed 8, while Great Portland Estates and Stock Conversion gave up 10 apiece to 266p and 455p respectively. Against the trend, Carrington Investments stood out with a gain of 10 at a 1980 peak of 120p on small buying in a thin market on small buying in a thin market.

Trading was brisker than of late in the Oil sector where bear closing in the latter part of the day left final quotations well above the lowest. BP finished 4 off at 344p, after 340p, and The miscellaneous Industrial Shell ended only 2 lower at 412p leaders generally ended above after 408p, Lasmo, down 13 at the day's worst, Beecham closing 657p, were not helped by news Resources added 11 to 28p reflecting the sale of their

on the forecast of a substantial improvement in the full year's figures with the interim results. Shower at 232p, after 231p. Else-Royalty, 485p, and Pict, 310p. lost 13 to 175p and falls of 10 were seen in Attock, 224p, Cluff, 320p. and Clyde, 445p.

> while Vinten fell 8 to 166p for Incheape gave up 7 at 448p.

> > freight venture with British Rail.

stemmed from the pleasing

South African Gold shares continued to attract a good deal of buying interest as the bullion price added a further \$1 to \$635.50 an ounce. The Gold Mines index moved up another

Financials were mixed. London issues fell sharply in the wake of UK equities and were in copper prices following the tentative agreement with Kennecott and the striking U.S.

Platinums were outstanding on

selling pressure following the shakeout in overnight domestic markets. Among the leaders MIM Holdings gave up 8 to 250p despite the almost doubled profits.

On the other hand, Endeavour

Despite the higher full-year profits and dividend, Sime Darby eased 4 to 69p. Other Overseas Traders also retreated to lower levels, with Gill and Duffus, firm of late following a favourable Press mention, reacting 5 at 167p. Lonrho shed 3 to 89p, while

Reflecting the setback in a broad front. Among Financials, Rosehaugh hardened 2 to 136p

Textiles remained dull Sunbeam Wolsey fell 4 to 18p in belated response to the sharp reduction in first-half profits and passed interim dividend. Stoddard, which announced a slump in annual profits and a passed final dividend eased a couple of pence, also to 18p. Mountleigh, 85p, lost 4 of the previous day's gain of 6 which

#### Golds up again

The sharemarket moved abead strongly at the outset as overnight American buying was followed by persistent and sizeable Johannesburg interest. This buying was met by London and, in later dealings, American selling but quotations still closed around the day's best.

additionally upset by the decline copper workers.

Rustenburg, had lifted their respective producer prices to U.S.S475 an ounce from \$420. Impala jumped 13 to 373p while Rustenburg and Lydenburg showed rises of 10 at 273p and 163p respectively. Australians came under heavy

68.72 69.86 70.10 70.18 70.48 70.58 70.54 74.47 482,7 491.5 486.8 498.9 497.9 491.7 469.5 industrial ... 386.6 375.5 380.6 384.0 372.0 197.2 Gold Mines. 390.9 7.38 7.32 7.26 Ord, Div. Yield ... Earnings, Ykd. % (full) 17.90 17.42 17.28 17.14 17.18 17.30 17.28 PIE Ratio (not) (\*)..... 6,94 7,00 7,05 7.04 6.78 Total Bargains .... 18,946 18,127 18,827 16,656 17,605 17,011 83,73 94,26 97,88 133,87 99,25 61,85 Equity furnover &m..

Equity pargains total

10 am 489.8. 11 am 488.9. Noon 488.4. 1 pm 482.5.

Basis 100 Govt. Secs. 18/10/25. Fixed Int. 1928. Industrial Ord.

#### S.E. ACTIVITY HIGHS AND LOWS

	19		SinceCo	mpilet'n	ļ · ·	Aug. (	Aug.
	High	Low	High	Foin	Daily	; <del></del> -	
Govt Secs., Fixed Int.,	72.54 (21/7) 74.08 (24/7)	63,85. (7/5) 64,70 (10/6)	127.4 (3)1/56) 150.4 (28/11/47)	49, 18 (5/1/75) 50,53 (8/1/75)	Gilt Edged Industrials Speculative. Totals	86.8 80.1 34.7 58.6	78.4 101.5 42.2 67.3
ind. Ord Gold Mines	503.1 (18/7) 390.9 (28/8)	406.9 (3/1) 265.5 (18/5)	442,3	49,4 (28/6/40) 43,5 (26/16/71)	5-day Avrge. Gilt Edged Industrials Speculative. Totals	83,8 97,5 43.5 67,4	81.0 98.0 43.5 67.3

interests in the White Industries Pahang have made a counter bid group at a substantial profit.
In Tins, Tanjong were re-listed at 115p following news that

of 115p per share compared with the 105p offered by the Tien Tr

6.98

11,602 12,388 12,888 13,409 12,976 10,244

#### NEW HIGHS AND **LOWS FOR 1980**

NEW HIGHS (26)

AMERICANS (1) BUILDINGS (3)

INDUSTRIALS (2)

PROPERTY (1) TRUSTS (3)
Brit. Ind. & Geol. Murray Caledon. B
Gretham House

NEW LOWS (55)

BEERS (2)

TEXTILES (9)

#### RISES AND FALLS YESTERDAY

ĭ	93	. —
2	23	40
97		730
12	290	194
1	44	77
7	11	13
49	51	. 59
. 16	81	70
148	1,188	1,117
	2 57 12 1 7 49	2 23 57 595 12 290 1 44 1 11 49 51

#### FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GI	ROUPS		T	Thur., Aug. 28, 1980				Wed, Aug. 27	Tues. Aug. 26	Frt., Aug. 22	Thors, Aug. 21	Year ago (approx.)	
Figu	& SUB-SEC ures in parentheses stocks per so	show num		Index No.	Day's Change	Est. Earnin Yleto (Max	ngs % L)	Gross Div. Yield % (ACT at 30%)	(Net)	Index No.	Index No.	Index No.	Index No.	Index No.
1	CAPITAL GOODS (			280.49	-14			5.90	7.40	284.61				
3	Building Materials ( Contracting, Constru			255.04 414.73	-21 -18	18.5 22.3		6.70 5.86	6.40 5.31	260.41 422.14	261.47 422.61			
4	Electricals (17)			833.05	-0.9	11.5		3.19	10.59	840.83	847.06	,		
5	Engineering Contrac	ctors (11),,		334.15	-13	20.6		7.80	6.10	338.52	338.53			
6	Mechanical Enginee Metals and Metal Fo			180.34 163.03	-18 -11	16.7 22.2		7.42 10.44	7.28 5.37	183.71 164.78	185.02 165.11			
	CONSUMER GOOD	DS				[	- [		{ _		{		{	ł
끞	(DURABLE) (49)			238.64	-15	15.7		5.35	8.75	242.24	243.94			
12 13	Lt. Electronics, Rad Household Goods (I.			364.96 89.56	1.7  0.8	13.2 27.0		3.86 11.43	11.55 4.66	371.16 90.33	373.86 92.10	375.24 92.94		336.86 146.66
14	Motors and Distribut	tors (21)		100.05	<b>-</b> ĩõ	221		9.39	521	101.02	10137			113.86
21	CONSUMER GOOD (NON DURABLES)			236.47	-23	17.4	.,	6.80	6.91	241.98	243.21	242.71	241.93	236.83
22	Breweries (14)				-23	15.6		6.34	7.46	297.32	297.19			290.15
23	Breweries (14) Wines and Spirits (5	i)	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	318.43	_1.9	19.2		6.40	6.16	324.50	324.85			322.58
24 25	Entertainment, Cate Food Manufacturers	ring (17) :/23 \		338.16 217.31	-2.4 -2.0	17.1 18.6		6.65 6.91	7.18 6.30	346.55 221.64	347.09 222.14	346.53 220.87	342.87 229.35	307.24 267.21
26	Food Retailing(13).			i 364.92 l	-26	12.8		4.25	9.26	374.48	37134		363.37	308.45
32 [	Newspapers, Publish	ring (13)		433.23	-15	21.7		7.16	6.07	439.82	439.99	439.16	441.53	418.01
33 34	Packaging and Pape Stores (45)			127.40 232.57	-1.6 -2.6	27.9 13.3		10.28 5.40	4.15 9.76	129.48 238.85	130.56 242.07	131.18 242.01	132.19 241.80	127.85 238.01
35	Textiles (21)			120.35	-26 -26	26.9		12.85	4.51	123.55	123.91	123.38	123.78	155.76
36	Toharcos (3)			224 97	-19	25.5	1	10.35	4.46	229.22	230.21	230,70	231.11	244.45
37 41	Toys and Games(5). OTHER GROUPS (9			26.59 223.76	+0.7 1.8	8.4 16.5		14.34	27.34 7.17	26.40 227.95	26.73 228.81	26,75 229,26	28.5	73.46 205.24
42	Chemicals (16)	7)		310.29	-16	20.0		7.77	5.73	315.27	313.51	316.48	315.45	291.46
43	Pharmaceutical Pro-	ducts (7)		231.87	-2.8	10.9	1	5.97	11.33	238.59	241.00	240,10	239.47	229.34
44	Office Equipment (6)			106.42 599.76	-0.4	19.03		7.80	6.13 9.53	196.80	108.08 616.57	107.69	107.15	117.22
45   46	Shipping (10) Miscellaneous (60)			277.08	-1.9 -1.8	16.4		5.93 6.73	7.42	282.15	284.20	617.88 283.80	615.04 283.45	447.55 241.24
49	INDUSTRIAL GROU	JP (491)		252.20	-1.9	16.8	_	6.49	7.21	257.07	258.36	258,88	257.83	238.42
豇	Oils (9)			781.35	-1.0	28.40		6.62	3.89	789.18	799.08	803.00	865.49	624.90
59]	500mSHARE INDEX	<u> </u>		294.18	-1.7	19.21	ч	651	6.13	299.30	301.26	302.05	301.27	269.91
61	FINANCIAL GROUP Banks(6)	P (118)		234.04 233.75	-18 -18	43.72	,	551 719	2.74	238.30 237.97	239.80 239.33	239.87 239.72	239.29 239.76	189.55 217.29
63	Discount Houses (10)			280.16	-1.4	<u>-</u>	- (	6.33		284.23	284.23	284.23	284.23	262.33
64	Hire Purchase (5)			219.26	-22	14.13	3	4.56	9.22	224.25	224.96	224.68	221.13	174.00
65   66 (	Insurance (Life) (10)	b) (9)		241.88 160.88	-23 -17	1 =	- 1	5.33 6.89	_	247.68 163.66	250.02 164.48	249.69 165.10	248.48 165.11	152.78 125.91
67	Insurance Brokers (9	)(		331.21	-13	13.99	9	6.96	9.79	335.57	340.26	342.22	342.63	268.59
68	Merchant Banks (12)	·		140.72	-1.6	J <u></u>	.	5.05		143.66	143.60	143.23	141.98	99.79
69   70	Property (45)		****	435.42 146.85	-1.9 -1.1	3.27 14.04		2.71 6.01	42.53 9.05	443.76 148.42	446.77 148.88	446.95 146.56	445.47 145.67	360.77 117.95
$\frac{n}{n+1}$	Investment Trusts Cl	09)		267.94	-12		╁	538	<del></del>	271.24	271.25	269.59	267.51	Z14.20
81 [	Mining Finance (3) _			242.41	-1.6	12.39		432	9.72	246.23	248.79	251.03	249.65	131.31
9 <u>1  </u>	Overseas Traders (20 ALL-SHARE INDEX			426.78 282.85	-1.9 -1.7	11.79	<del>'</del> +	6.92	10.22	4,54,36 287,72	434.48 289.52	290.00	289.14	341.02 247.64
						<u>.</u>	<u>.</u>							
	_			_		J		FIX	ED INT YIELD		- 1	Thur,	Wed.	Year
	FIXED INT	EREST P	RICE	MPICES		l		British		Gross Rec	. )	Aug.   28	Aug. 27	ago (approx.)
							_							
		Thur.,	Day's	xdad	ij. koj	26. 20.	킬	Low Coupons		5 years 5 <b>years</b>		12.28 12.27	1215 1214	19.98 10.54
Br	ritish Government	Aug. 28	chang %	e toda		date	3	CALIDANIS		5 years		1227	12.14	11.01
							4	Medium		5 years		13.89	13.73	11.99
ij	Under 5 years	104.06	-0.29	•	;		5	Coupons	-	5 years		13.78	13.62	12.06
ſ	5-15 years	108.21	0.83	ı I 🗕			6			years		13.68	13.53	0.00
- 1		112.78	-0.95		,		7	High		5 years		14.04	13.87	12.42
- 1	Over 15 years			ı	1	- 1	8	Coupons		5 years		1413	13.98	12.56
1	Irredecarables	125.10	-0.82	L .	•		9			years	<del></del>	13.93	13.78	12.45
1.	All stacks	108.06	-0.69	<u>'                                    </u>		145 2	0	Irredeen	ables			11.79 }	11.69	10.79
				Thurs.,		Wed Aug. 27		Tues. Aug. 26	Friday Aug. 22	Thurs. Aug. 21	Wed. Aug. 20	Tues. Aug. 19	Mon. Aug. 18	Year ago approx.

15 20-yr. Red. Deb & Loans (15) 53.29 113.89 55.44 53.47 53.47 53.58 54.29 54.32 54.35

16 Investment Trust Prefs. (15) 50.89 13.22 51.15 51.15 51.06 51.06 51.12 51.12 61.12 61.53 17 Coml. and Indl. Prefs. (20) 68.08 13.17 67.36 67.30 67.19 67.15 67.23 67.23 67.23

#### **ACTIVE STOCKS**

		No.				
De	nomin	a- of	Closing	Change	1980	1980
Stock	tion	marks	price (p)	on day	high	low
AT Inds	25p	8	275	- 6	290	223
CI	£1`	8	35 <del>4</del>	<b>∽</b> 6	402	348
adbroke	10p	8	192	- 6	200	122
remier Cons	5p	8	71	- 4	99	36
ssoc. Dairies	25p	7	212	~ 8	226	160
rit. Home Stores	25p	7	155	-13	170	113
TZ	25p	7	460	-10	485	327
rusthouse Forte	25p	7	180	- 4	200	132
arciays Bank	£1	6	412	- 8	430	327
mperial Group	25p	6	81	- 1	89‡	71 <del>1</del>
ASMO	25p	6	657	-13	830	337
fidland Bank	£ī	6	328	~ 2	384	308
ricentrol	25p	6	320	- 4	414	250
Vhitbread A	25p	6	155	~ 6	174	125
nnte	25n	5	232	- 5	242	158

#### **OPTIONS**

tion

Share Information Service

Money was given for the call cluded Plessey, Silvermines. in Charterhouse Petroleum, Coral Leisure and Mersey Coral Leisure, P & O Deferred, Docks Combined Units.

#### Plessey and Dares Estates

ment FNFC, United City Merchants, Aug. 18 Sept. 5 Nov. 20 Dec. 1 Sept. 22 Oct. 3 Dec. 18 Dec. 29 For rate indications see end of

Puts were arranged in Land British Home Stores, GUS and Marks and Spencer, while doubles options completed in-

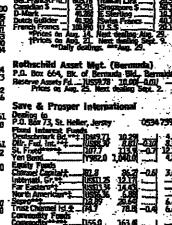
#### RECENT ISSUES

					EQUITIES						
îssue Price p:	Amount Pald Up	Renuud. Date	<u></u>	80 Low	Stock	Olosing Price	÷_or	Amount	Times	Oross Yield	P.F.
560 68 538 1 160 551 551 557	F.P F.P F.P F.P F.P		260 352 115 90 100 153 78 70 85	67 56	Brint Inva. BP Restricted Trans. #BakerElectrnics10p Charterh'se Petrol'm Energy Capital (124p) ##Marinex 10p ##Ma	114 81 83 138 69	-5 -2 -2 -1 -210	17.5 b3.85 b1.09 t1.0	4.0 — 3.5	1.9 - 2.1	12,1 18,6 — 19,5
	FIXED INTEREST STOCKS										

			_			<b>-</b> , -				
issue to	Amount Paid Up Latest Renunc Date		1980 High   Low		Stock		:k		Olosing Price &	+ or
11 98 98 97	F.P.   23/7 £20   19/9 F.P F.P.   30/10 F.P.   28/11 F.P.   8/8	124 1834 107p 103 98 102 1051 <sub>2</sub>	1091 <sub>2</sub> 151 <sub>4</sub> 107p 102 102 971 <sub>9</sub> 100	Denmai Foseco De Newcas Outwick South 8	rk 133 Minse stle & h 10% itaff. \	2005 p 81% Cnv 10% Conv Gateshead Pref Nater 9549	Conv. Ln. 'S Red Cum2i Vins Ln 19 d Water 8j2 KRd. Pf. '8	ndPri 95 RdP	117 154 107p 103 971g 101	
SSUB SSUB	F.P. 29/8 F.P	104 105p	102 b 102 p	Sunder	72 C	ShieldsW	ir 9,8 Rd.Pr Red. Pref ERS	f. 1965	102 lg 102 p	- ½ 

sue rice	- E	E를 Date		19	80	Stock	Olosin; prices	+ or	
pi	An Pal			High		Stock	ᅙ	<u>                                     </u>	
65 32 34 92 50 13 00 80 20 20	F.P. NIL NII F.P.	23/7 1/8 30/7 25/7 22/8 16/8 15/8 5/9 5/9 30/8	1/9 8/9 29/8 12/9 23/8 19/9 12/9 12/9 16/10 10/9	109 184 56 141 95pm 35pm 428 1101 <sub>5</sub> 150 80pm 31spm 110 131 <sub>5</sub>	146 48 123 65pm 24jpm 127 89j <sub>2</sub> 144 66pm 2pm	Anderson Strathclyde, Berisford (S. & W.) Cilve Discount. Coalite. Crest Nicholson Derritron. Ferranti. Lonrho McKay Secs. Mercantile House. Moorgate Mercantile. Poliy Peck.	51 140 93pm 31pm 425 90 150 78pm 3pm 103	4 1 1 66161	
10	f.P.i	TOIG	3/9	19.5	11	Sturia	1112		

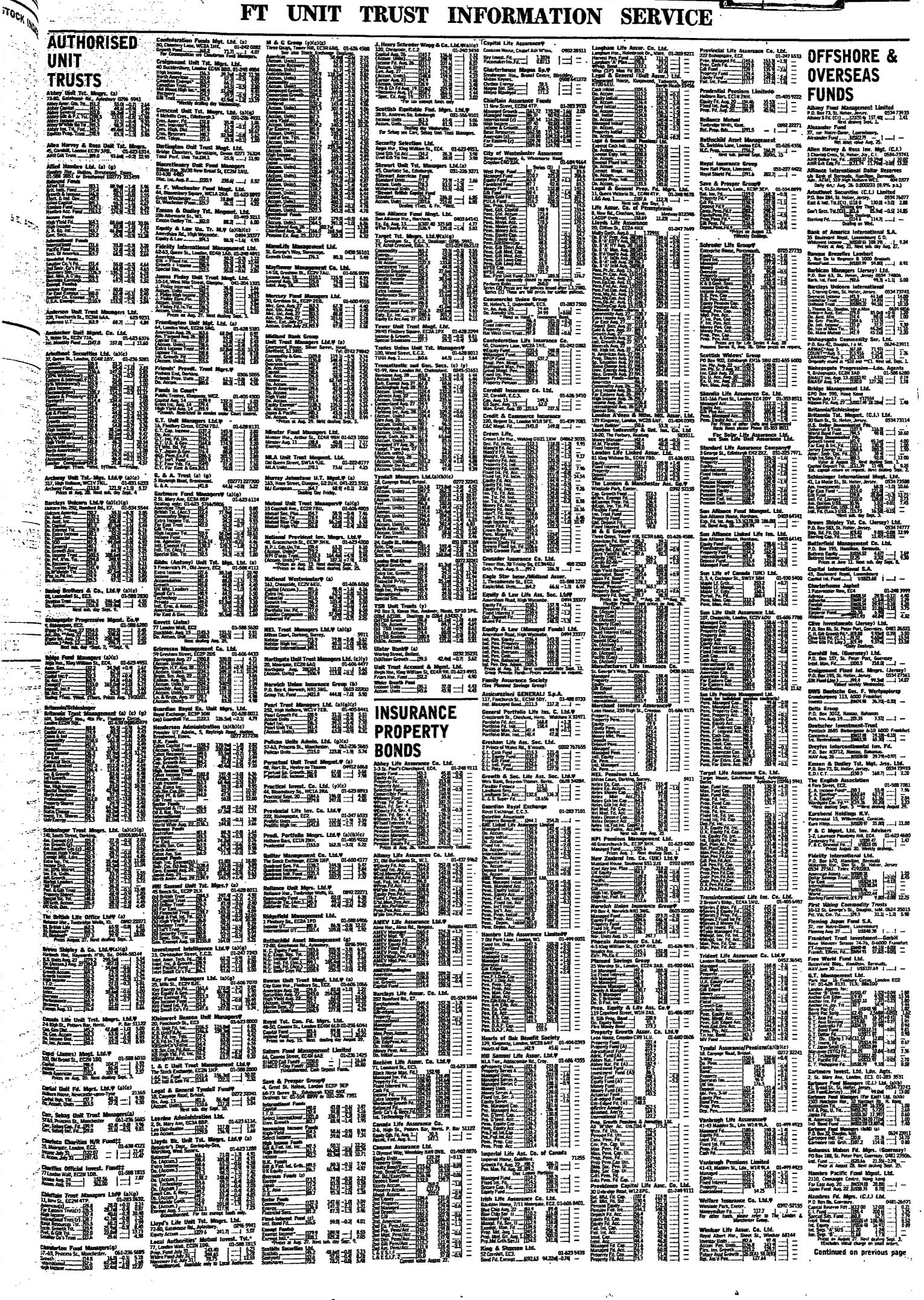
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# TRUST INFORMATION SERVICE



l

1960 ( High Low | Stock

# The British computer LOANS systems and software Public Board and Ind. 6412 | 5612 | Apric. Mr. 5pc '59-89 | 80 | -12 | 2712 | 25 | Met. Wr. 3pc '89-94 | 80 | -12 | 2714 | 25 | Met. Wr. 3pc '89-103 | 89 | U.S.M.C. 9pc 1982 | 106 | 9012 | 106 | 9012 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 1 company Telephone Hernel Hempstead (0442) 3272 **BRITISH FUNDS Financial** | Price | + or Yield f | - last | Red. Stock | 10 Five Years | 13.69 | 15.13 | 17.12 | 10.6 slaptch 31.80 | 19.13 | 11.68 | 15.50 | 19.13 | 11.68 | 15.50 | 19.13 | 11.69 | 12.50 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | 11.60 | FOREIGN BONDS & RAILS | Friestry | 25c | 1985 | 108 | 108 | 108 | 105 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 155 Five to Fifteen Years **AMERICANS CORPORATION LOANS** CURPURA I Eath 114ca 1985 Eath 114ca 1985 Eath 134ca 1985 Eath 134ca 1981 Samley 13cc 1987 Cartiff 11cc 1986 Cartiff 11cc 1986 Cartiff 11cc 1986 Cartiff 11cc 1986 Cartiff 13cc 1983 Liverpool 94cc 20-82 Herts 64cc 1995-87 Liverpool 94cc 20-88 Do. 24cc 1986 Lo. Cop. 134cc 83 Do. 94cc 34-85 L. C. C. 25cc 1988 Do. 3cc 24-85 L. C. C. 25cc 1988 Cop. 3cc 24-85 Cop. 3cc 26-80 Do. 3cc 20-81 Sonterland 12cc 1984 914 - 4 129 942 - 2 132 943 - 2 132 944 - 12 134 92 - 4 129 95 - 4 129 9 13.09 17.10 14.25 14.55 **CANADIANS** CANA 11 8650 Bk, Montreal St... 1273 8709 Bk, Montreal St... 12806 6650 Gell Canada S843. 1284 330 Bow Valleyii... 1284 339 Bow Valleyii... 1284 339 Brascanji... 1285 339 Brascanji... 1286 3660 Can, Imp, 8k, St... 1384 1313 Can, Pacifir S5... 1385 313 Can, Pacifir S5... 1385 313 Can, Pacifir S5... 1887 30 Bo. 4pc Det. \$100 1887 509 Bo. 4pc Det. \$100 1888 300 Huckon's Bay II... 1888 300 Huckon's Bay II... 1889 Huckon's Bay II... 1889 Huckon's Bay II... 1889 Ini, Nat. Gas S1... 1890 Massey Ferg.II... 20 1092 800 Place Gas \$1... 1993 Ro Algom ... 1994 Royal Bk. Can. \$2. 252 135 Seagram Co. CS1. 2690p Tor. Dom. 8k, S1. 1092 815p Tvans Can. Pipe... | ANS | 122 | 14 | 151.50 | 152 | 14 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 | 152.50 |

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DAMES AND HIRE PURCHASE BUILDING INDUSTRY—Cont.

To a district the service of the service

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Michtael (J.) 10p
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Mothercare 10p.
NSS News 10p.
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Parason (W.L.)
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Peters Stores 10p.
Polly Peck 5p.
Ramar Tert. 5p
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Ramar 10p.
S&U Stores 12t-p.
Do. 253-NI. 12t-p.
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Strad. & Sim 'A
Steinterg 10p
Sumrie 20p.
Upton (E) 'A'
Vantona 20p.
Upton (E) 'A'
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Upton (E) 'A'
Warner (Jas.)
Do. N.V.
Warner & Gillow
Wearwell 5p.
Walker (Jas.)
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Jaciss JäHB 5p.
Jaciss JäHB 5p.
Jaciss JäHB 5p.
Jaciss Stopman
Laind Group
Laice & Elifot Johnson & Firth
Jones Group 10p.
Jones Shipman
Laind Group
Laice & Elifot Jo
Lae (Percy) 10p
Lee (Arthur) 12l-2
Ley's Foundries
Linyead
Liouer (T) 5p.
Do. 'A '50
M. L. Holdings
Mangan Bronze
Martorial 20p.
McKechie Bros.
Meggitt 5p
Midand Inds. 5p
Mining Sup. 10p.
Mining Sup. 10p.
Mining Sup. 10p.
Mining Sup. 10p.
Molins.
Moss Eng'g
Aleepsend
Netheria Eng.
Northern Eng.
R. C. F. Holdings
Raine Eng'g 10p.
Robinson (Thus.)
Record Ridgway
Rethinson (Thus.)
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Sawille G. (10p)
Serior Eng'g
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Serior Froducts
Vosger & Jackson
Spencer Cit. 20p.
Stareley Inds. El.
Sylos (Henry)
Tacc 10p
Trysael Platt
Southers C. (10p)
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INSURANCE

Bowtness (C. T.) 176 ...... 46.0 3.2 49 9.9
Brentasi Ed. 100 12 ...... 74 ...
Britannic Sp. .... 236 4 111 9 ... 74 ...
Combaned Inf. St. 238 ... QSI 40 ... 75 ...
Constr. Union ... 161 ... 479.8 ... 8.9 ...
Eagle Star ..... 231 ... 4 9.0 ... 5.6 ...

Investment Trusts

Finance

Diamond and Platinum

Central African

1292 | 1090c | 311 | 650 | 700c | 1.9 | 650 | 700c | 1.9 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 6

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The following is a selection of London quotations of strares previously inseed only in regional markets. Prices of Irish issues, most at which are not officially inseed in London, are as quoted on the Irish exchange.

Albamy Inv 20p.....[ 33 | .....| IRISH not officially issed in London,
Albany inv 20p. 33
Bertam ... 15
Berty vir. Est. 50p. 440 -1
Clover Croft ... 53
Crag & Rose £1 ... 51
Fife Forge ... 35
Finlay Pla. 50 ... 19
Higsons Bew ... 75
Holt (Jos) 25p ... 256
Dearte (C. H.) 455
Pearte (C. H.) 455
Pearte (C. H.) 455
Shelf Refrishort ... 103
Sindatt (Wm.) ... 140 5927 5311 -5 5957 -17 48 200 65 120 ---78 25ss -1 275 40 75 -1 275 76 75st ---

**OPTIONS** 3-month Call Rates 27 | Utd. Drapery ..... 61<sub>2</sub> | 61<sub>2</sub> | Victors ..... 12 | 12 | 14 | Wootworths ..... | 51<sub>2</sub> | -4 | Property ..... 15 | Brit. Land ..... | 7 | A Bree 80C inti 85. R. 8aboock 85. R. 8aboock Barcisys Bank Beecham Bue Circle Boots 80waters 8. A.T. 8rown (J.) 8rown (J Property
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MEPC....
Peachey
Samuel Props...
Town & City

A selection of Options traded is given on the Lengan Stock Exchange Report page

"Recent Issues" and "Rights" Page 32

265 | 10364c | 2.211.7 | 17.8.6 | 17.8.6 | 17.8.6 | 17.8.6 | 17.8.6 | 17.8.6 | 17.8.6 | 17.8.6 | 17.8.6 | 17.8.6 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 | 17.8 |



# **TUC General Council asks** Mrs Thatcher for meeting

BY CHRISTIAN TYLER, LABOUR EDITOR

MRS. THATCHER will be asked to meet the General Council of the TUC after its annual congress in Brighton next week for the first time since she took office.

The General Council decided vesterday to request a meeting in order to register its dismay at the level of unemployment which has now reached 2m. and to demand immediate action to "tackle the crisis facing the nation." If, as seems likely, the TUC's request is granted, the meeting will assume consider-

able political importance. Mrs. Thatcher, given her statement on Wednesday when the job-less total was published, is unlikely to be deflected from her chosen path as the TUC insists she must be.
But she now has an oppor

tunity to demonstrate that the Government recognises the TUC's importance as the largest extra-parliamentary pressure group in the country, and to be seen talking directly to a large cross-section of trade union

Union

probes

rigging'

ALLEGATIONS of serious irre-

gularities in voting for the post of general secretary of the

130.000 - strong Boilermakers'

Society are being examined by

retirement at the end of this

general secretary, attracted five

candidates. Three of these were

man contest between Mr. James

Murray, chairman of the execu-

tive and its member for Scot-

land, and Mr. Barry Williams, the delegate for the union's

Merseyside and North Wales

district, who is a member of

the Communist Party.

The second ballot, held at the June meetings of the union's

branches around the country, gave Mr. Murray 2,031 votes

against Mr. Williams' total of 1,903—a majority of 128. The total number of votes cast repre-

of widespread irregularities.

Mr. Williams said yesterday

had been received by the sec-

retary of his branch (Liverpool

It is believed supporters of

Mr. Murray have also made

because of inadequate informa-

tion given in his application for

the post. Mr. Williams yesterday dismissed these complaints as

Mr. Chalmers, who is in

Brighton for the pre-Congress meeting of the TUC's general council, said yesterday that he

could make no comment. He would not say whether the

executive had reached a deci-

sion on which candidate should

be judged the winner, or if it still had the issue under review.

disputed elections the executive may declare either Mr. Murray

or Mr. Williams the outright

The loser may then appeal

against the decision to the union's general council. This

comprises eight lay members

Under the union's rules for

Newcastle headquarters.

groundless.

winner.

numbers of votes.

climinated in the first ballot.

By John Lloyd, Labour Correspondent

**'vote** 

Mrs. Thatcher met members of the TUC economic committee shortly after the General Election last year, but since then her contacts with union leaders have been confined mainly to formal encounters at the National Economic Development Council.

Mr. Len Murray. TUC general secretary, made it clear yesterday that there was no question of the TUC doing a deal on wages or in any way accepting the Government's argument that inflated wage demands were a major cause of the present wave of

"We are not in the business of accepting a policy, whether statutory or voluntary, on pay restraint from this Govern-

But Mr. Murray repeated his invitation to the Government to throw open the whole economic agenda—in which case talks might have some substance.

The TUC will debate next week whether to commit itself to some form of incomes plan-

ning with a future Labour Government. There is probably majority support for this in the General Council, but the 1,200 delegates may not reflect that view.

Mr. Murray said the Prime Minister would be "extremely stupid" to refuse the TUC's request. It was, he agreed, an exceptional one. "But then these are exceptional circumstances."

The idea for a summit meeting with the Prime Minister was tabled by Mr. David Basnett, ebairman of the TUC economies committce, who said yesterday: "Congress next week will overwhelmingly condemn this Government for the tragedy it is causing by its misguided and mistaken economic policies. We want the opportunity to tell the Prime

Minister that to her face." The 41 general councillors will go to Number Ten armed with a series of demands for an alternative economic strategy reinforced by the delegate conference. These

are likely to include import controls, more industrial aid and more public spending. They are some of the measures the TUC sees as necessary to halt the decline of British manufacturing

Richard Evans writes: There was no immediate response from Downing Street to Mr. Murray's call for a meeting with the Prime Minister as a formal request had not been received last

The supposition was that Mrs. Thatcher would be willing to meet a delegation next month while making it clear that there was no prospect of a reversal of Government

The Prime Minister would be accompanied at such a meeting by senior colleagues including Mr. James Prior, Employment Secretary, Sir Keith Joseph, Industry Secretary, and Sir Geoffrey Howe,

Redundancies round-up Page 6

# French prices jump by 1.5 per cent in July

BY ROBERT MAUTHNER IN PARIS

month's large oil price rises.

the encouraging slowdown in of making public corporations inflation the previous month, stand on their own feet by raiswhen the cost of living index ing their prices, and so allowrose by only 0.6 per cent. But ing the authorities to reduce it was not entirely unexpected, the subsidies on which they because sharp increases in were previously overdependent.

public sector prices, including M. Monory made it clear that the union's executive.

The election, arising from the railway fares. Paris public no further increases in public year of Mr. John Chalmers, transport charges and tobacco sector prices would be authorduties, were bound to have an ised until the end of this year adverse effect on the general at the earliest, and probably Minister, who has been the

> tene Monory. mics Minister, said that last year.

FRENCH PRICES jumped by month's figures—which sent the 1.5 per cent in July, the biggest 12-month rate of inflation up to monthly rise for more than six years apart from an exceptional date the official prediction that cent last month. Since the preincrease of 1.9 per cent this inflation would slow down re-January following the previous gularly from now until the end of the year. He added that the Govern-

The July price figures were He added that the Govern-particularly disappointing given ment had completed its policy not before the Presidential elec- architect of the

The worst hit area in July alone was the services sector, in which prices rose by 2.4 per vious July, however, prices in that sector had risen by only 13.2 per cent. By contrast, though manufactured goods prices rose by only 1.2 per cent in July, they jumped by 16.7 per cent since July. 1979. Food prices rose by 1.1 per cent last month and by 9.5 per cent over the previous year.

disappointing price figures, did not discourage President Giscard d'Estaing from heaping praise on the head of M. Raymond Barre, the Prime appointment in August, 1976.

# Shell and BP refinery workers threaten action over pay

BY NICK GARNETT, LABOUR STAFF

by national officials of the Transport and General Workers Union yesterday that unless they disregarded Government and CBI advice on the level of pay settlements in the level of pay settlements in the settlements in the level of pay settlements of the day, was reacting to a 10 per cent offer—to be reviewed in March—made by BP to its residue to the level of pay settlements in the sents about 3 per cent of union Supporters of Mr. Williams, bowever, have made allegations These include falsification of new wage round the two oil companies faced the prospect of co-ordinated industrial action by their refinery workers.

that between 15 and 20 com-plaints of separate incidents Mr. John Miller, the union's national secretary for oil and chemicals, said he would be 2) and had been forwarded to calling a meeting in October of the executive at the union's union representatives from the companies' refineries.

This would consider induscomplaints, alleging that Mr. Williams was ineligible to stand clearly showed they were negotiating free of "con-

Mr. Miller, who met Shell claim.

SHELL and BP were warned refinery shop stewards yester-

BP said that the Grangemouth period. offer was related solely to its marketing position, which, along with that of other companies, had deteriorated as a result of the recession.

Shop stewards, who have been mandated to seek rises of more than 20 per cent, have accused the company of bowing to CBI and Government pressure

Shop stewards at BP. Grangetrial action unless BP and Shell mouth discussed the position clearly showed they were earlier this week with Shell refinery shop stewards who are in the process of fixing their

BP refinery shop stewards have also been in touch with Texaco shop stewards at Texaco's Milford Haven refinery which also has a settlement date in the September-October

This followed contacts between Mr. Neil Boner, senior transport union shop steward at BP Grangemouth, and union representatives of BP's tanker drivers who are seeking similar rises but with a November settlement date.

It is thought that some oil company managements might have been attracted to the idea of maintaining or improving their standing with the Government by making pay offers in line with ministers' advice.

# London-Scotland £20 by BCal

BY LYNTON McLAIN

ways yesterday announced plans for a £20 single offpeak standby fare between London and Glasgow in an attempt to win passengers from British Rail and car iransport.

The new fare, part of a package of proposed cuts in London-Scotland fares unveiled by BCal vesterday, is 58 per cent cheaper than the current BCal peak fare of £49 single and will cost £5.60 and two executive members, less than British Rail's ordinary responded by introducing a

BRITISH CALEDONIAN Air- single ticket and less than the range of cut-price and excursion cost of petrol for a medium tickets on the same route.
saloon car over the same BCal itself launched a £20

distance. BCal's proposals, which need London-Edinburgh the approval of the Civil Avia The airline's new Scottish tion Authority, follow other fares come into effect, if the approval of the Civil Avia-Belfast return at the start of this month, bringing it down to £66, and British Airways UK domestic routes. responded by introducing a FT conference Page 6

single standby fare on the

recent reductions on domestic approved by the Civil Aviation air fares: British Midland Air-ways cut £10 off its Gatwick to form one element of a campaign by BCal to bring its European Mini Prix low fare structure to

Continued from Page 1

#### ICI profit

both been unaffected by the recession. Some of its overseas operations, notably in Canada and Australia, had also beld up well.

ICI said the "severe drop" in profits from its basic chemicals in Western Europe had been partly caused by destocking.

It did not yet know whether destocking had started to level

The group's greatest fear is that part of the drop in demand for its products may he the result of some of its customers going out of business permanently rather than simply destocking. The danger of this happening

increased the longer the recession lasted, it said. Some of ICI's petrocleemi-

cal plants are now running at only 40 per cent of their production capacity as the group tries to match the continuing fall in demand. Others have been temporarily

Yesterday, ICI said its basic chemicals business in Europe was still being hit by cheap imports from the U.S. At the same time, it expected to have to work pretty hard" to hold on to its expert markets in the face of the strong pound.

ICI shares closed at 354p, down 6p, after dropping to

#### Continued from Page 1

# **Public spending**

reduced interest rates and increased output.

some comfort for the Government in the projection that public sector borrowing should be about £9bn in 1980-81. lower than most City estimates, and only slightly above the £83bn

Budget forecast Borrowing should drop to £6.2bn as the adverse effects of the recession should be offset by increased North Sea oil revenues and by the impact of higher nationalised industry

will be quickly overtaken by Although the demand for expansionary influences, mainly bank credit is expected to lower rate of inflation, slacken eventually in response to the recession, the review can offer only the prospect of a cut The institute's forecasts are, in Minimum Lending Rate from however, likely to be analysed the present 16 per cent to posclosely. In particular, there is sibly 13 per cent by the end of

The forecasts are generally gloomier than the last projections in May, although the insti-tute remains slightly more optimistic than for example, the monetarist London Business School because it projects a small rise in output and consumer spending next year.

The institute may not, how-Jorburg C 17 63 Warsew F 21 79 ver he gloomy enough about L Pims. S 25 77 Zuich C 20 68 ever, be gloomy enough about unemployment

# Pay deal at Times likely today

THE JOURNALISTS pay dispute at The Times appeared virtually to be over last night when management formally tabled an offer which the strikers' leaders will this morn-ing recommend for acceptance. The dispute has stopped production of the newspaper since last

Friday.

If the deal is endorsed by the 280-strong Times chapel (office branch) of the National Union of Journalists, and their leaders were confident last night that it would be, the paper could be back on news-stands

tomorrow. The management said yester-day that "strenuous efforts" would be made to produce a Saturday edition. The journalists' stoppage led to management warnings earlier in the dispute that the paper's future was being put at risk after losses incurred by the 11-month suspension of production in 1978-

journalists, who demanded that the management meet a 21 per cent pay recommendation made by an independent arbitrator, will be presented with an 18-month deal.

sented with an 18-month deal.

The proposed deal would not conflict with the company's 18 per cent "cash limits." It would give the journalists £1,000 each from their pay settlement date in July and another 12.5 per cent from October.

In addition, another £675 would be paid across the board from July next year. The deal is formulated to keep the yearon-year increase to 18 per cent while allowing the recommendation of the arbitrator to be awarded in full from October. The formal offer management

made yesterday was said to be similar to proposals put to the journalists' leaders on Tuesday, which they had indicated they were ready to accept. But delays in putting the offer

in writing followed discussions with the Thomson board, and this led to alternative proposals being put to the journalists yesterday morning.

The journalists walked out from yesterday morning's meeting claiming that attempts had been made to reduce the size of the previous offer.

The management said, however, that there had been "a misunderstanding." Changes had been proposed in distribution of the offer, which did not affect the size of the package.

Yesterday's meetings between the two sides also involved Mr. Ken Ashton, general secretary of the NUJ. The NUJ backed the strike officially last week. The meetings followed the previous day's announcement of a £6.4m trading loss for the first six months of this year by Times Newspapers.

#### Weather

UK TODAY

Cloudy, some rain at times. London, S.E., C.S., E., S.W., C.N., N.E. England, E., W. Midlands, E. Anglia, Channel Islands, Borders

Cloudy, rain at first, brighter later Max. 21C (70F).
S., N. Wales, N.W. England, Lake District, Isle of Man.
S.W. Scotland

Bright intervals, perhaps rain at times. Max. 19C (66F).
Ulster, N.W., N.E. Scotland,
Central Highlands

Cloudy, showers or rain at times. Max. 13C (5F). Outlook: Changeable, rain chiefly in the North. Sunny in-

WORLDWIDE

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3	Beirut F			Majorca	S	29 27	₽4
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C-Cloudy, F-Fair, R-Rain, 5-Sunny.

THE LEX COLUMN

# ICI joins the sick list

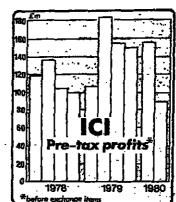
The equity market's nervousness about the ICI figures turned out well justified, and at one stage yesterday the FT 30-Share Index was showing a fall of 11 points. Gilt-edged, meanwhile, saw more scattered selling, and Treasury 13 per cent 2000, on which a £21 call is due today, has now—stripping out accrued interest—fallen more than nine points from its peak in mid-July.

The collapse of ICI's profits in the second quarter has proved more spectacular even than the gloomiest predictions. Before exchange losses, pre-tax profits have fallen by more than half from the level of a year ago to £89m; so in spite of the excellent first three months, first half profits are down by 15 per cent to £245m. The decline has been far greater than that experienced by other international chemical majors; and once the contribution from Ninian oil is stripped out second quarter profits are only a third of the level a year

In common with the rest of the chemical industry. ICI has been hit by a drop in volume and a fierce squeeze on prices. UK sales volume in the second quarter, ex-oil, is 144 per cent lower than in the same period of 1979, while continental Western Europe has seen a 7½ per cent drop. Better perform-ances in Canada and Australia have not been enough to prevent volume overall dropping by 54 per cent. The bulk of the decline has been in petrochemicals and plastics, and ICI's high proportion of secure supplies of naphtha-a great boon in 1979—has left it unable to take advantage of the soften- only 184 per cent above its low ing of the spot price. Among point for 1980. Plessey has ing of the spot price. Among the other divisions doing badly are organics and fibres, which even last year made a trading loss of £33m.

In addition, ICI has been suffering the familiar effects of inflation. The pay increase of 16 pace. So, while it is a foregone

Index fell 8.8 to 482.7



better than £400m this year, against £560m, in spite of oil earnings of a good £100m. Last year the dividend was barely covered on an SSAP 16 basis, and with current cost adjust-ments running at the same mag-nitude this year, a maintained dividend might well be uncovered even under ICI's individual brand of inflation cost accounting, which uses a more generous gearing adjustment. Without oil the directors might well have been considering whether they could afford to hold the dividend-which is unchanged for the first time in eight years. The share price fell 6p yesterday to 354p, producing

Plessev

a yield of 91 per cent.

The Plessey share has been a spectacular performer this year. Last night's price of 236p compares with a year's low of 108p —a rise of 1181 per cent. whereas the 30-Share Index is shared in the general excitement of the electrical sector, which investors have decided is recession-proof, and has enjoyed. a substantial re-rating of its own, based on the profit figures.

figures will be ghastly, it may f2m or so of the increase may have been increasingly well be that even the last be accounted for by loss squeezed. Something has to covery.

So pre-tax profits may be no tracts and the Portuguese pressures are most acute.

business) there is a charge of roughly the same amount above the line for redundancies. Even if Plessey's unpredictable habit of charging provisions to the profit and loss account makes it hard to be confident about the underlying quarterly trend, since the provisions are not revealed until the year-end balance sheet, there has undoubtedly been a major improvement.

Volume sales are up more or less across the board, and the order book, in sharp contrast to the general plight of manufac-turing industry, shows a 37 per cent rise in value terms on the level of a year ago, and now stands at over £1bn. As in the final quarter of last year, the contribution from the telecommunications main exchange business has been a decisive

factor in the profits rise. Deliveries here are well up, and operating profits have risen from £2m to £51m. And then Plessey's stronger cash flow has allowed it to repay some more debt since the financial year end, so the net interest charge is slightly down. Plessey may be on course for £72m (against £60m) pre-tax for the year as a whole, which on a 35 per cent tax charge would

give earnings of roughly 20p a share - and a p/e of 12 does not sound unreasonable. But .. 3552 even with this sort of improve-ment, the group may still not cover its dividend with current cost earnings this year, and its capital spending is barely high enough to preserve the value of its assets in real terms. Plessev may be a changed animal, but it is not yet - with all the help .... in the world from the Post Office - an entirely convincing growth stock. The historic yield is 4.2 per cent.

Falling profits

Falling profitability is not just a UK phenomenon, and the international mends are graphically illustrated in the latest issue of "British Business." As the strong pound and rapid cost for the second half of 1979-80. might be expected, UK industry These suggested that the comes out badly on most of the per cent from June will raise group was at last beginning to comparisons in terms of return the third quarter wage bill by achieve the sort of return that on capital and the share of its \$25m. Meanwhile, although cus- it had long promised but never profits in value added. But altomer destocking seems to have delivered and the first quarter though starting from a higher passed its worst in the more figures for the current year, base, the long term declines in resilient sectors—agriculture, covering the three months to countries like Germany have pharmaceuticals and paints—
lessewhere the decline in deelsewhere the decline in demand seems to have gained a sort of quantum jump. —
when the cost of capital has in-Pre-tax profits are up from creased sharply in many conclusion that the third quarter £13.2m to £18.6m, and although countries and profit margins

<sup>lling</sup> st

AS PRICE

# Introducing a New Beechcraft King Air.



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